

11/30/83
P8955-1



S U.S. pain

OFFICIAL PUBLICATION OF THE SPAIN-US CHAMBER OF COMMERCE

SEPTEMBER-OCTOBER, 1983

No. 130

Seven breakfast-in-bed views your appetite for the other



For thousands of years Spain has played host to the civilized world. In wayside inns, abbeys, monasteries, castles. And, today, in the most modern of hotels.

From the windows of

your particular hotel or *parador*—those historic yet completely modernized resting places of Spain—you look down on the fairs, festivals and cathedrals of our ancient cities.

You feel the sun of our beaches and golf courses, are challenged by our ski slopes, intoxicated by our orange groves.

And thrilled by our prices. Because as little as \$62 a night in high

season can buy you a castle in Spain—a hotel room for two plus three sumptuous meals. (We not only know how to treat our guests royally, we know how to do it inexpensively—with an

November through February Events Calendar.

November in Royal Madrid. *It's a spectacular month to see the palaces in and around the city: Aranjuez, La Granja, the monumental El Escorial of Phillip II—all within an hour's ride—plus Madrid's own Royal Palace.*
November in Barcelona.

It's the month to hear great operas—opening one of the world's great opera seasons.
November to late April. *Ski some of Europe's finest slopes. From the popular Pyrenees resorts in the north, to the Sierra Nevadas above the ever-warm beaches of the Costa del Sol, to Puerto de Navacerrada (outside Madrid).*
December. *Christmas in*

Spain. *No other country celebrates the season more joyously. Marketplaces in every city and village sell magical decorations. Cathedrals resound with glorious music, and shops spill over with an unrivaled array of imaginative gifts.*
Dec. 24. La Misa Del Gallo. *One of the most inspiring Christmas Eve experiences on earth occurs*

at the medieval monastery of Montserrat near Barcelona with candlelit singing of Mass by its world-famous boys' choir.
Jan. 5. Eve of the Epiphany. *In parades all over Spain, the "Three Wise Men" distribute candy to children from festooned floats. And, not to slight the grown-ups, great post-Christmas sales in the*

Spain. It's all Europe in a single country.

mercilessly calculated to whet 9,200 glorious inns of Spain.



exchange rate that's practically unbeatable.)

Now you begin to see why more Europeans today choose Spain for their own vacations than any other country.

And why Americans

stores and boutiques begin. **Winter Golf.** The temperature's in the low 70s (like your score). 11 major courses along the Costa del Sol to choose from. And fewer golfers to contend with than in summertime. **Jan. 19-20. The "Tambor-rada" in San Sebastian.** Music, folk dancing and parades of drummers take over the streets of this

return over and over to experience its infinite variety.

For a taste of the many flavors of Spain, browse through the short calendar we've provided here. For our full new Six

Basque city. Everyone eats tempting Basque feasts. **Feb. 2-3. Festival of the Moors and Christians near Valencia.** Cannons boom, fireworks dazzle and crowds cheer as two armies in full regalia reenact a medieval battle in Boicarente, high above the Mediterranean in Spain's sunniest orange groves. **Swimming in the Canaries.**

Months' Calendar for Spain, just contact the National Tourist Office of Spain nearest you (see addresses below). Then ask your travel agent about the more than 200 tours available now.

A two-hour flight from mainland Spain (or fly direct from New York) to these rightfully renowned subtropical islands for an enviable winter-long tan. **Feb. 15. The Madrid Opera Season begins.** From Gala Opening Night until mid-June, international artists take the stage of Madrid's splendid Teatro de la Zarzuela.

Above views, l. to r.

1. A Málaga golf course as breathtaking to behold as it is challenging to play.
2. The medieval university town of Salamanca beckons your after-breakfast investigation.
3. Santiago de Compostela—as uplifting to the spirit today as it was in the Middle Ages.
4. A Canary Island breakfast—with fountain gardens before you, tropic ocean beyond.
5. From your lofty Madrid hotel window, a view of the 2,000-room Royal Palace.
6. Only a 2-hour drive from your morning on towering Granada slopes to balmy Costa del Sol.
7. The cathedral bells of Barcelona to launch your day.

National Tourist Office of Spain

New York: 665 Fifth Ave., New York, NY 10022, Tel: (212) 759-8822 • Houston: 4800 The Galleria, 5085 Westheimer, Houston, TX 77056, Tel: (713) 840-7411
Chicago: 845 N. Michigan Ave., Chicago, IL 60611, Tel: (312) 944-0215 • San Francisco: 1 Hallidie Plaza, San Francisco, CA 94102, Tel: (415) 346-8100

**We've made it easier
to be successful...
in Spain, South America,
the World...**

BANCO HISPANO AMERICANO NEW YORK BRANCH

Located in the heart of one of the world's
foremost financial centers

Doing business anywhere depends on business-like advice and up-to-date information, the kind only a strong European bank with over three-quarters of a century of experience in domestic and international banking can provide.

Founded in 1900, Banco Hispano Americano has that expertise.

As one of Spain's largest banks, with deposits of over \$11 billion, Banco Hispano Americano has an information gathering network of international scope with a host of worldwide offices in addition to over 1,300 branches in Spain.

BANCO HISPANO AMERICANO

Your success is our business

New York Branch
Olympic Towers
645 Fifth Avenue
New York, N.Y. 10022
Tel: (212) 486-8170

International Headquarters
Banco Hispano Americano
Marques de Villamagna 3
Madrid, Spain
Tel: 435-8440



President

RICARDO JOVE
Amtraco Commodity Corporation

First Vice President

ANDREW D'ALESSANDRO
S.A.I.M.A., Inc.

Second Vice President

DAVID ASKREN
Chemical Bank

Treasurer

LUIS BONEL
Majorica Jewelry, Ltd.

Corporation Secretary

JOSE LUIS SAN PIO
J. & A. Garrigues

Honorary President

GABRIEL MANUECO
Ambassador of Spain, Washington, D.C.

Honorary Chairman

JOHN DAVIS LODGE
Former U.S. Ambassador to Spain

Honorary Vice President

FERNANDO R. PORRERO
Consul General of Spain in New York

Honorary Director

RAFAEL AGUILAR
Commercial Counselor of Spain, New York

Executive Director

MARIANO BAGUENA

Directors:

JOSE AMEIJIDE
José Ameijide, Inc.
FREDERICK ARCH
Spanish Book Corporation of America

HAROLD BARG
Schenley Affiliated Brands Corp.

LUIS BENITEZ DE LUGO
Banco de Santander

FRANCIS BESSENIEY
J. Henry Schroder Bank & Trust Co.

S. ROBERT BREITBARTH
General Cable International, Inc.

WILLIAM BURNS
Costa Line Cargo Services, Inc.

JOEL T. CAMICHE
Hallinan & Camiche

JOSEPH A. CARAGOL
Joseph Caragol, Inc.

JOHN E. CODINA
John E. Codina & Co.

ALFONSO GONZALEZ ESCALERA
Compañía Transatlántica Española

EDWARD G. HAYEK
Trans World Airlines Inc.

SAM LAREDO
Santillana Publishing Company

MANOEL A. LIMA
Avon Products, Inc.

CARLOS MENENDEZ
Irving Trust Company

JOHN A. OGILVIE
Ogilvie Taylor & Associates

PEDRO ORTIZ VALERO
Interchange Commercial Corp.

JOSE PECES PEREZAGUA
Banco Español de Crédito

FELIPE PROPPER DE CALLEJON
Wertheim & Company

VICENTE PUIG JR.
Vicente Puig & Co.

GEORGE H. P. ROBINS
Banco Urquijo, S.A.

CARLOS ROS
Banca Catalana

RAMON DE SARRIERA
Banco de Bilbao

RAYMOND E. C. SURGUY
Banco de Vizcaya

FREDERICK E. TETZELI
Morgan Guaranty Trust Co. of New York

Honorary Delegates in Spain

JESUS DE AZCARRETA
Palmer Import-Export, S.A.
Estébanez Calderón, 3 - 2°
Madrid-20

Tel: 270-45-34
Telex: 45589 PALM

JOSE MARIA CUCURELLA
Capsulas Metálicas, S.A.
Valencia, 101
Barcelona-11

Spain - U.S. Trade Bulletin

Spain-U.S. Chamber of Commerce, Inc.

CAMARA DE COMERCIO ESPAÑOLA EN LOS ESTADOS UNIDOS

500 FIFTH AVENUE, NEW YORK, N.Y. 10110 • (212) 354-7848
TELEX: 960915 SPAIN US NYK • CABLE ADDRESS: CAMACOS

SEPTEMBER-OCTOBER, 1983

No. 130

NEWS AND FEATURES:

3. New York Celebrates Two Spanish "Weeks"
6. Ambassador Porrero, Spain's New Consul General in New York, is Welcomed at Luncheon
9. "Welcome to Spain" Luncheon Honors New United States Ambassador to Spain Thomas O. Enders
11. "Spain and the World Economic Situation," by H.E. Miguel Boyer, Minister of Economy, Finance and Commerce of Spain.
18. Iberian/U.S. North Atlantic Westbound Freight Conference Announces Freight Rate Increases.
20. Member Profile: Loewe of Madrid.
23. Current Legislation in Spain, prepared by J. & A. Garrigues, New York office.
35. "Rentals: Travel Discovery of the '80s?" by Charles Ocheltree, Spanish National Tourist Office.

DEPARTMENTS:

36. News in Brief.
38. Spanish Products Offered.
39. Productos españoles solicitados.
40. Spain's Exports to the U.S., Jan. 1-July 31, 1983 vs. 1982.

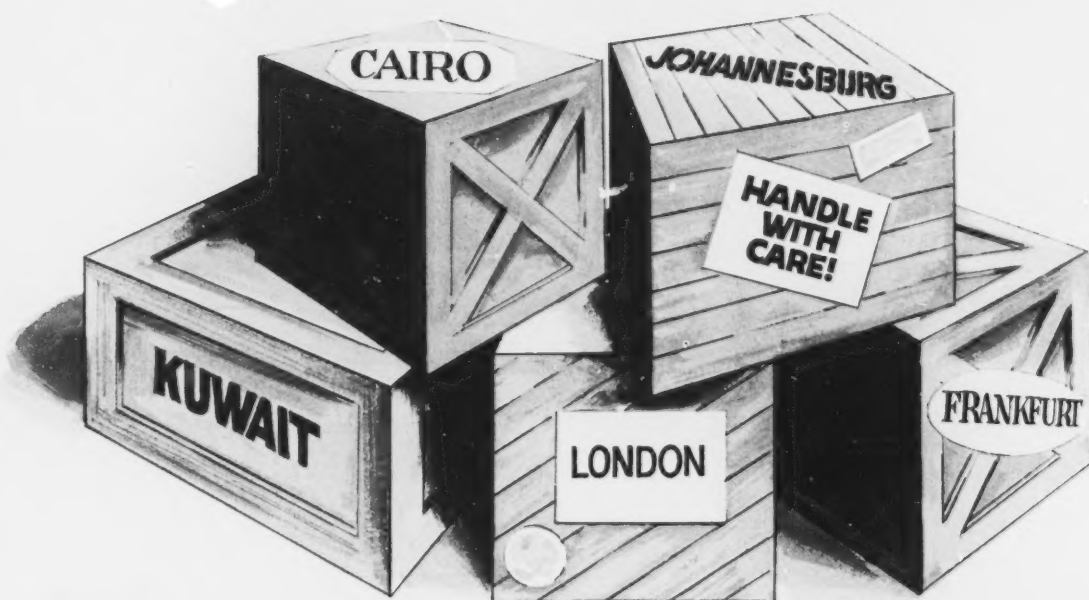
Executive Editor
Mariano Baguena

Editor:
David O. Thomas

COVER: Some of the leather styles from Spain shown by Loewe of Madrid at a luncheon at the Plaza for the benefit of the Museum of the City of New York. See the Loewe Member Profile on page 20.

Published bi-monthly, copyright 1967, as a service to its members, by the Spain-U.S. Chamber of Commerce, Inc., a non-profit organization, 500 Fifth Avenue, New York, N.Y. 10110. Telephone (212) 354-7848. Subscription rates: \$25.00 per year, U.S. and Canada; 2500 pesetas per year, Spain. Single copies \$5.00 each. Printed in the U.S.A.

If you're not sending your cargo to Spain, send it on Iberia.



We go almost everywhere. (Including Spain.)

You probably know that Iberia's #1 when you want to send cargo to Spain.

But here are some things about our cargo service that you probably don't know.

Iberia has all widebody service beyond Madrid to cities throughout Europe, Africa and the Middle East. And Iberia offers the only all freighter service three times a week between the U.S. and Spain. We also offer you more widebody

flights to Spain from New York and Miami than any other airline.

So if you're sending cargo to Spain, or just about anywhere else, why not send it on Iberia?

For more information and cargo reservations in Miami call TOLL FREE 800-327-2302. Elsewhere in Florida call 800-432-1231. JFK Cargo Office is 800-221-6002.

Iberia's Spain. It's too much for the money.

IBERIA
INTERNATIONAL AIRLINES OF SPAIN

New York Celebrates 'Week of Madrid' and 'Week of Spain' in October

New York celebrated in October not one but two Spanish weeks. October 3rd to 9th was the **"Week of Madrid,"** commemorating the agreement making Madrid and New York "Sister Cities," signed by the mayors of the two cities in June 1982. A lively program of events was coordinated by the New York-Madrid Sister City Committee. Highlights included "Spain Today: A One Day Seminar on the Present Spanish Cultural and Educational Situation," at the Spanish Institute, with lectures by five prominent Spaniards involved in the arts and education; a lecture, also at The Spanish Institute, by Mayor Enrique Tierno Galván of Madrid; lectures on 17th century Madrid at New York University; gallery tours of Spanish arts at the Metropolitan Museum, the Cloisters, and the Bronx Museum of the Arts; Spanish films; exhibitions of contemporary Spanish artists at the Spanish National Tourist Office and Spanish Institute; and a concert by Spanish pianist and scholar Antonio Baciero at Abraham Goodman House.

October 9th to 15th was the traditional **"Week of Spain"** in New York, commemorating the 491st anniversary of the discovery of the Americas by Spain. The keynote event, the annual "Desfile de la Hispanidad," the parade up Fifth Avenue, was cancelled due to the death of Cardinal Cooke. A number of other events, however, took place as scheduled. The Casa de España and Instituto Español de Emigración dedicated their celebration to the Spanish region of Aragón, with performances by the folkloric groups Alto Aragón and the Baluarte ballet company as well as by the Ballet Clásico de Zaragoza, concerts, and an exhibition of works of Goya and other Aragonese artists.



Attending a reception hosted by Mayor Koch at Gracie Mansion are (L to R) Plácido Domingo, Enrique Loewe, Madrid's Deputy Mayor Morel, Mayor Koch, and Mayor Enrique Tierno Galván of Madrid.



Proclamations of both "Madrid Week" and the "Week of Spain" were presented on October 3rd by Mayor Edward I. Koch (right) to Madrid's Deputy Mayor Enrique Morel and Ambassador Fernando R. Porrero, Consul General of Spain in New York. Behind Mr. Morel at left is flamenco guitarist Sabicas.

The Mayor's Proclamation of "Madrid Week"

LA CIUDAD DE NUEVA YORK Y LA CIUDAD DE MADRID FORMALIZARON UN HISTORICO LAZO DE AMISTAD EL 7 DE JUNIO DE 1982 AL ESTABLECER EL HERMANAMIENTO DE LAS MISMAS. ESTA RELACION FORTALECE LOS PROFUNDOS Y DURADEROS LAZOS DE COOPERACION Y HOSPITALIDAD ENTRE NUESTRAS CIUDADES Y CONTINUARA AUNANDO A NUESTROS CIUDADANOS EN FUTUROS INTERCAMBIOS PARA MUTUO BENEFICIO.

PARA CELEBRAR ESTA AFILIACION, EL COMITE DE HERMANAMIENTO DE NUEVA YORK Y MADRID HA PLANEADO ESTE AÑO UN PROGRAMA DE ACTIVIDADES CULTURALES Y EDUCATIVAS QUE RESALTA NUESTROS INTERESES Y HERENCIA COMUNES.

AHORA, POR TANTO, YO, EDWARD I. KOCH, ALCALDE DE LA CIUDAD DE NUEVA YORK, PROCLAMA LA SEMANA DEL 3 AL 9 DE OCTUBRE

"SEMANA DE MADRID"

EN LA CIUDAD DE NUEVA YORK PARA REAFIRMAR LA TRADICION DE AMISTAD ENTRE NUESTRAS DOS GRANDES CIUDADES.

EN TESTIMONIO DE LO CUAL HE ESTAMPADO MI FIRMA Y HECHO FIRMAR EL SELLO DE LA CIUDAD DE NUEVA YORK

Ambassador Porrero, New Consul General of Spain in New York, Welcomed at Luncheon

New York is "the vital center of the United States and, almost without exaggeration, capital of the world," Ambassador Porrero told a welcoming luncheon in his honor at the St. Regis-Sheraton on October 14th. The importance which the Spanish Government attaches to New York is shown by the appointment of a senior diplomat with the rank of ambassador as Consul General here.

IT IS FOR ME a satisfaction and privilege that the first meeting—the first encounter—(we will not call it official but, rather, friendly) at the beginning of my mission at the head of the New York Consulate General has been with two of the groups that best represent this great city in projecting the culture and economy of Spain in the United States.

I consider their assistance and cooperation evident, in an objective manner and as a most valuable personal asset, personally. That is the reason for their decisive contribution to the importance of this Consulate General—with well-known characteristics of an embassy—which come from the prestige of institutions like those that are receiving me today at this luncheon of welcome to New York, under the sign of friendship and—also appealing—good food.

You represent, in fact, two of the principal channels of our Spanish consular activity in this great city, which is in so many aspects the capital center of the United States, the economic and the cultural — of which, I repeat, you groups are active protagonists, projecting yourselves in a positive way and always present in the functions of this mission, which I am now honored to head.

I must confess (because I consider myself among family and, therefore, I am not trying to be an orator but just to have a chat) that such are the considerations and perspectives that led and attracted me to accept this post, making an exception, as you know, to my course of 38 years dedicated to the foreign policy of my country, in the diverse and numerous undertakings of my career and in the various missions that have been entrusted to me. An exception that

will complete, enhance and enrich my now long diplomatic career, if not add any points to my resumé.

At the same time, and in the same line of considerations, it confirms equally and above all the intent of the Spanish Government for said mission and for this city, vital center of the United States and almost, without exaggeration, capital of the world, which for the first time has designated a member of the Spanish diplomatic service with the rank of ambassador to be Consul General in New York.

Said interest is reinforced by the appointment of another diplomat in charge of the specific mission of Cultural Attaché, an exception for any Spanish consulate. The appointee is a prestigious person, my colleague Tomás Rodríguez Pantoja, who comes from our Rome embassy, where he carried out a similar mission.

In the economic sector we should consider that the general evolution of commercial interchange between Spain and the U.S.A. has been very hopeful, although there exists a considerable deficit contrary to our country, which could be qualified as structural.

In any event, said interchange is an important one, as 1982 showed the amount of \$4,357 million for imports from the U.S. and \$1,322 million for our exports to this country. Our endeavors and efforts are, therefore, towards balancing said figures.

We are slowly progressing on the right path, as the increment of our exports to the United States was 14.7% and the increase of the imports from the U.S. was 9.5%. We should also point out that the Spanish Government has included in its national budget an





Chamber President Ricardo Jove presents Ambassador Porrero.



Ambassador Porrero (right) chats with Gregorio Gomez, of the Consulate of Spain in New York, and Juan Orozco.

item equivalent to \$37 million for the exclusive use of commercial promotion, and a large part of it will be invested in this market.

As a consequence, and that is the reason for my optimism, thanks to said measures and the valuable assistance of public and private groups (with an outstanding mention of the Spain-U.S. Chamber of Commerce) we are confident in an increase in the presence of Spanish products in the American market, which on the one hand is the most difficult in the world, but on the other is the most attractive.

Regarding tourism in Spain, also a capital sector: there was an increase of 19% in direct traffic from the U.S. to Spain during the year 1982, and we have an excellent forecast for 1983. During the period May through August of this year there were 423,508 Americans who arrived in Spain vs. 316,681 during the same period last year. That is to say, a 33.7% increase. In a considerable effort of tourist promotion, the Spanish National Tourist Office has started in the second half of September a publicity campaign within the U.S. territory which will involve one million dollars investment throughout the rest of 1983, and that will continue during the first months of 1984 to reach an investment of nearly \$2 million—an unprecedented effort in this market on the part of the Secretariat General of Tourism.

In the cultural sector, it will be enough to simply pass in review the numerous activities directly developed and programmed for development that make up, in this important area, the action of the Consulate General and of the Spanish Institute and other cultural groups with that specific objective, in a conditioned effort towards a common worthy goal.

But there is still another aspect that goes along with and fortifies the others, which is the human channel. The existence of a large Spanish and His-

panic community, that of compatriots and that of Hispano-America, resident in this city and in this consular jurisdiction, who think in Spanish and speak in "American" English, or think in "American" and speak in Spanish, and are all in my heart, in yours and in our country's.

The effort is undeniable—and we can feel it here every day everywhere—the importance of the Hispanic that, in so many ways, this hardworking community expresses and translates into daily life, reinforces, day by day, the ties of brotherhood and understanding between our peoples.

Here and now I want to ratify this statement and also my gratitude to you all. I have felt deeply the warmth of your friendship and your company. I could not have found better helpmates than you in the spirit of my own work and in our common goal of defending and developing—in reciprocal interest and shared drive and understanding—the friendship and cooperation between Spain and the United States.

I ask that you keep on lending me your help, not only valuable but absolutely necessary, as you have done with my predecessors, and that you believe not in my merits but in my commitment and determination. I promise you on my side to devote my best and, I hope, effective efforts to your problems and to your activities, giving to them, if no other better qualifications, all my experience and the enthusiasm that has always accompanied my now lengthy service to Spain. As its Consul General in New York I consider your cordial welcome as the best omen and incentive to this mission, which with your support will be a mission for all of us who share the same eagerness and drive that unites and encourages us.

Mil gracias a todos por vuestra cordialidad, vuestra generosidad, y... vuestra paciencia. Cuento con vosotros. □



BANCO CENTRAL

su banco amigo

NEW YORK BRANCH

245 Park Avenue
New York, N.Y. 10167
Tel.: (212) 557-8100

BANCO CENTRAL OF NEW YORK

Full banking services
Main Office:
50 Broadway
New York, N.Y. 10004
Tel.: (212) 785-0700
and five other locations in the city

CALIFORNIA AGENCY

505 Sansome Street
San Francisco, California 94111

MIAMI AGENCY

Rivergate Plaza, 800 Brickwell Avenue,
Miami, Florida 33131

FULLY OWNED SUBSIDIARY IN PUERTO RICO

Banco Central Corp.
Main Office: Ave. Ponce de León 221
Hato Rey, Puerto Rico 00917
Tel.: (809) 753-2500
(Twelve branches on the island)

HEAD OFFICE

Alcalá 49 • Madrid, Spain



“Welcome to Spain” Luncheon Honors New U.S. Ambassador to Spain Thomas O. Enders

Chamber President Jove Introduces Ambassador Enders

Our guest of honor needs very little introduction to most of us. There appears to be general agreement on his many qualities, and especially three that clearly distinguish him: His height, his brilliance, and the known fact that he does not necessarily agree with anything just for the sake of being diplomatic about it. We can probably expect the new Ambassador to be more stimulating than average.

Born in Hartford, Connecticut in 1931, graduated first in his class with a B.A. degree from Yale in 1953, he followed this with a graduate degree from the University of Paris and an M.A. degree in economics from Harvard in 1957.

He joined the foreign service in 1958, and his first foreign post in 1960 was at the U.S. Embassy in Stockholm. From 1963 to 1966 he was supervisory international economist in the Bureau of European Affairs, and in 1968 was appointed special assistant to Under Secretary for International Monetary Affairs. In 1969 he became Deputy Chief of Mission in Belgrade, and in 1970 Deputy Chief of Mission in Phnom Penh. He became Charge d'Affairs there in 1973. From 1974 to 1976 he was Assistant Secretary for Economics and Business Affairs, and from 1976 to 1979, Ambassador to Canada. In 1979 he was appointed U.S. Representative to the European Communities in Brussels, and in 1981 he was named Assistant Secretary for Inter-American Affairs.

That an ambassador with such credentials and economic experience has been named to represent the United States in Spain, is good news to all of us.

These are difficult times for Spain, striving to consolidate its democratic system in the midst of a serious economic crisis. Trade and financial relations between our two countries are of crucial importance and I am sure that our new Ambassador will make a positive contribution.

This meeting is billed as a “Welcome to Spain” luncheon. There is a little rhetorical license here, since we are not in Spain. However, on behalf of the Spain-U.S. Chamber of Commerce, we do say *bienvenido a España*, and with that welcome go our best wishes for a stay in Spain which is both happy for the Ambassador and his family and productive for our two countries.

Thomas O. Enders, the newly appointed U.S. Ambassador to Spain, was the guest of honor at a “Welcome to Spain” luncheon co-hosted by the Chamber and The Spanish Institute, held at the Plaza Hotel on September 1st.

Ambassador Enders spoke extemporaneously at the luncheon, showing considerable familiarity with the problems of Spain-U.S. trade. “We in government,” he said, “must ensure that there is in fact a truly open and free trade opportunity on both sides.” The diplomatic role, he added, is largely that of facilitating communications — making sure that both sides understand the problems and the processes which can lead to their solution.

Regarding the imposition of countervailing duties on some Spanish products by the U.S., he considered that this was a diminishing problem, since the complaints that triggered the duties would gradually disappear as Spain phases out preferential loans to exporters.

A series of consultations is now going on, said the Ambassador, to determine how Spain can take maximum advantage of the very substantial U.S. market, especially at a time when exchange rates are favorable and other European countries are doing well.

In the past six years, he said, Spain has recovered its natural position in the world at a pace which no one could have foreseen, which is very encouraging for the future. □

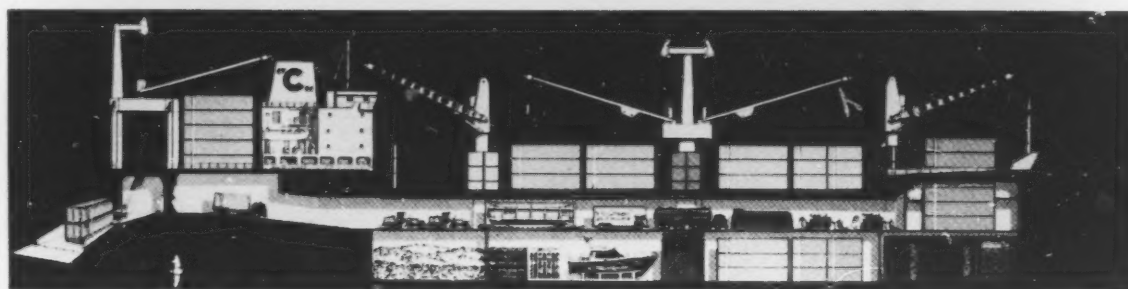


At the September 1st luncheon are (L to R) Ambassador Fernando R. Porerro, Consul General of Spain in New York; Ambassador Enders; Chamber President Ricardo Jove; and Gabriel Mañueco, Ambassador of Spain to the United States.

**INTRODUCING
THE LATEST COSTACARRIER**

THE NEW

COSTA ARABICA



***If You Make It...
I'll Take It!***

**Sailing From U.S. Atlantic and Gulf Ports
To The Med. Commencing 1983 with
Breakbulk, Container, Ro/Ro, Refrigerated
and Heavy Lift Cargo at Independent Rates.**

LENGTH: 177.37 mt

SERVICE SPEED: 18 knots

GRT: 21,500 tons

HOLDS CAPACITY: Grain: 40,073.5
Bale : 37,759.7

HOLDS & HATCHES: 4 holds & 7 hatches

CONTAINERS: 1,026 teu's

CARGO GEAR: 100 tons HL

RO/RO: Ramp: 22 mt + 5 mt flap
Clear Breadth: 7 mt

MAX. LOAD: 18 tons truck & trailer
50 tons fork lift
376 tons max. load

STERN DOOR: Max. free Ht. 6.50 mt
Max. free Breadth: 10.00 mt

P.S.

***My sister, Costa Ligure,
follows shortly.***

U.S. General Agents

U.S. Gulf Agents

COSTA LINE CARGO SERVICES, INC.

STRACHAN SHIPPING COMPANY

NEW YORK	BOSTON	CHICAGO	MIAMI
(212)480-8282	(617)723-4444	(312)663-1620	(305)371-4868
PITTSBURGH	BALTIMORE	CHARLESTON	NORFOLK
(412)281-3336	(301)539-5061	(803)722-0502	(804)622-4354

NEW ORLEANS	HOUSTON	DALLAS
(504)527-6600	(713)683-3621	(214)747-0648
MOBILE	MEMPHIS	
(205)433-5401	(901) 526-5153	

By H.E. MIGUEL BOYER
Minister of Economy, Finance and Commerce of Spain

Spain and the World Economic Situation

Mr. Boyer was chairman of the 38th Annual Meetings, held in Washington in September, of the Boards of Governors of the World Bank, the International Finance Corporation and International Development Association, and of the International Monetary Fund, as Governor of the Bank and Fund for Spain. His address is of special interest as an indication of the financial outlook of the Spanish Government, as well as of the leadership role Spain is taking in presenting the case for the developing nations.

FOR ALMOST A DECADE NOW the Annual Meetings of the World Bank and the International Monetary Fund have been noting the persistence of a climate of maladjustment and stagnation in the world economy. The opinions stated and the analyses made during these meetings reveal the persistence of one of the most prolonged crises in the history of the world economy — a crisis that has impacted virtually all countries regardless of their nature and level of development and whatever their economic and political system.

The economic recession has directly and indirectly affected all nations, and in the process has generated effects of unequal intensity and has obliged the various countries of the international community to adopt a variety of approaches depending on their different adjustment capabilities and the extent of their relative dependence. For this reason, we can detect today, along with clear signs of incipient economic recovery in certain of the major industrial countries, the persistence and even aggravation of the economic difficulties facing many countries, and in particular a large number of developing countries. Nobody is unaware that this divergence in the economic development of different zones of the world economy cannot continue for long in a world that has become increasingly interdependent over recent years and that will foreseeably become even more so in the years ahead. Sooner or later, growth or depression will be generalized among the economies of the world. The direction that the world economy ultimately takes will result from the balance between the forces that foster sustained and stable economic growth and greater international cooperation and those that tend to perpetuate the inefficient allocation of productive resources and the present economic disequilibria and to encourage the disintegration of the international economy.

For all of these reasons, this is a particularly delicate moment for the world economy and one that carries with it a special responsibility for all of us who

are directly involved in the shaping of economic policy in our respective countries. As I see it, two general principles should guide economic policy formulation in the present circumstances of the international economy:

a) On the one hand, economic growth must be furthered by means which do not simultaneously re-initiate inflationary pressures or external disequilibria that could bring it to a halt at any moment.

b) On the other, and in accordance with the different influence that each country can exercise in determining prices and quantities on international markets, national economic policies and international cooperation must encourage orderly behavior of the exchange markets, create confidence, cooperate toward bringing about greater transparency and promote stability in capital movements, and eradicate the spirit of protectionism now permeating the international scene.

I would now like to analyze recent developments and prospects of the international economy in the light of these two principles.

The adjustment process in the industrial countries

We have to distinguish between those countries which have managed to control inflation and whose balance of payments situation allows greater growth of their economies, and others which will have to direct their economic policies toward attainment of balance of payments structures that are sustainable in the medium and longer term and rates of inflation that are similar to those of their major competitors on international markets.

The first group includes the economies of the major industrial countries, whose economic results determine the main parameters of the world economy. It is heartening to note that economic activity is picking up in some of these countries without, at the moment, endangering what has been achieved in bringing inflation under control. It is, however, obvious that if the current rate of economic growth in these coun-

tries is to be maintained in a lasting manner, real interest rates must be brought down significantly. These countries must therefore pursue an economic policy that is geared toward the difficult task of reducing interest rates without at the same time raising expectations of inflation. To achieve this, more balanced use must be made of monetary and fiscal instruments. Sustained growth in these economies will also require sustained growth in investment. It will not be easy to secure adequate resources for capital formation if, at the same time, the countries are running substantial budgetary deficits that absorb a large proportion of national savings, and induce, beyond any doubt, real interest rates that are higher than those needed for a recovery of investment in order to bring us close to full employment. No one can be oblivious of the great responsibility that currently rests on the shoulders of those who determine economic policy in the major industrial countries. Given the current situation, there is a very small margin for drastic downward adjustment in countries suffering from high rates of inflation and balance of payments deficits. These countries, which are bearing the costs of reducing inflation and curbing external deficits in a context of economic crisis and considerable uncertainty, are entitled to expect a positive and lasting contribution from those other countries that have succeeded in reining in the constant rise in prices and have the resources available, and are thus in a position to reinvigorate their currently low growth rates through appropriate use of economic policy instruments.

The Spanish economy

Reference to my own country's experience may serve to illustrate the strategy that should be pursued by countries whose growth is conditioned by control of inflation and correction of external disequilibria.

Our experience parallels in many respects that of other relatively small and open industrial economies. We in Spain found that high rates of inflation are not compatible with stable and lasting economic growth. When the behavior of the economic agents is strongly influenced by pessimistic expectations with regard to the rate of inflation, domestic saving is discouraged and a sizable external deficit is generated. The upshot is that, in economies like ours, as inflation rates outstrip those of our competitors on international markets, economic growth declines rapidly as a result of the deterioration in international competitiveness and, hence, in the external accounts. The economic policy being pursued by the Socialist Government of Spain is accordingly placing great weight on reducing inflation and correcting external disequilibria, as basic prerequisites for increasing the

rate of growth of the economy and generating a sufficient volume of employment, which is our fundamental goal.

Given the current situation of the world economy, correction of these disequilibria will necessarily take some time, since it is not enough — contrary to what some simplistic approaches to the economy postulate — merely to slow the rate of growth of the money supply. Attention also has to be paid to the problem of the distribution of resources between consumption and investment and between the public and the private sector.

"Our program is progressing as planned, and there is already evidence of a significant decline in inflation from 15% in July 1982 to 10% in July 1983, and also of a reduction in the balance of payments deficit."

In any event, the adjustment process will be more difficult and more costly in terms of volumes of production and employment if it has to be implemented in the presence of excessive rigidity in the real returns on the production factors.

Thus, as the difficulties have continued, the conviction has gradually been growing that the present situation can only be overcome through constant adjustments, resulting from collective efforts and the persistent and credible application of corrective economic policies.

This, very briefly, is the strategy behind the economic policy being pursued by the Spanish Government: To bring about a change in the composition of aggregate demand, moving away from expenditure on consumption to investment and exports while disequilibria persist in the labor market and in the foreign accounts, and to make use of the instruments available to the authorities to ensure that the costs of the production factors are sufficiently flexible to bring about the positive adjustments required and reduce the negative impact of these policies on the labor market.

I would not like to conclude these remarks about my country without telling you that our program is progressing as planned and that (even though it is still too early to draw any final conclusions — the new government has been in office for only ten months) there is already evidence of a significant decline in inflation from 15 percent in July 1982 to 10 percent in July 1983, and also of a reduction in the balance of payments deficit. This shows that we are on the right path for implementing the remaining adjustments, so

that we shall be in the best possible position to take advantage of the expected revival of the world economy.

The adjustment process in the developing countries

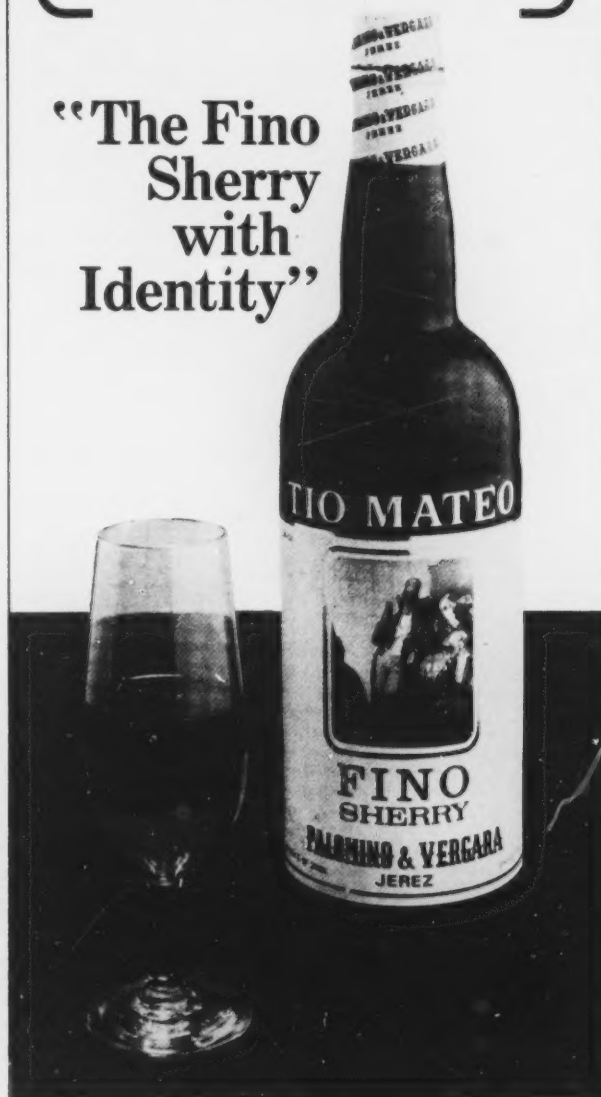
The depressive phase of the international economic cycle has had a particularly sharp and negative impact on the developing countries, many of which have been forced to make sizable and sudden adjustments in their economies. In Latin America, for instance, an area whose development we in Spain follow with particular attention and concern, the volume of national production stagnated in 1981, fell in 1982, and has continued to fall in 1983. As the population of this region is growing by some 2% a year, and as the labor force is growing even faster, it is obvious that a drop in living standards of this magnitude can not be tolerated for very long. These countries have seen a sharp decline in their real terms of trade (this variable has dropped to one of its lowest levels since the Second World War); they have experienced a reduction in the volume of their exports paralleling the decline in growth rates in the industrial countries; they are feeling the effects of growing protectionist practices of all types that are cutting their market share in precisely those activities which, for these countries, display the greatest dynamism and have international interest rates has increased the burden of servicing their external debt and placed many of these countries in a liquidity crisis to which there is no easy solution.

Correction of the disequilibria affecting these countries will, of course, depend on their national economic policies, but also on the international context in which they have to bring about these adjustments, in other words on factors beyond the control of the responsible political authorities. The greater the discipline the sense of realism underlying the economic policies pursued by these countries, the smoother and less costly the adjustment process will undoubtedly be. Nevertheless, while the scope for domestic economic policies is not insignificant, it is limited and could almost disappear altogether unless a more pronounced and generalized recovery occurs in the industrial nations than is taking place at the moment. By way of illustration, it has been stated, on the basis of empirical evidence provided by various studies prepared by the International Monetary Fund and the World Bank, that an increase of one percentage point in the average economic growth rate in the OECD countries during the period 1984-86 would bring about an increase of 3.5 percentage points in the average yearly growth rate

TIO MATEO

FINO SHERRY

**"The Fino
Sherry
with
Identity"**



IMPORTER/DISTRIBUTORS

NEW YORK: JASON BROOKE
NEW JERSEY: DOMAINE IMPORTS
ILLINOIS: CONSOLIDATED DISTILLED PRODUCTS, INC.
MASSACHUSETTS: WORLD WIDE WINE & SPIRITS, LTD.
TEXAS: AMERICAN WINE & IMPORTING CO.
CALIFORNIA: WESTERN PACIFIC, INC.
WASHINGTON, D.C.: CENTRAL LIQUOR, INC.
GEORGIA: STATE WHOLESALERS, INC.
WISCONSIN: D & G OVERSEAS TRADE LTD.

of exports from the non-oil developing countries. An increase in exports of this magnitude would be equivalent to one-third of the cost of servicing the total short- and long-term external debt of these countries (both interest and amortization) in 1982. These empirical relationships show how important recovery in the industrial countries is for the developing countries and, perhaps even more significantly, how vital it is that the propensity of the industrial nations to import goods from the developing countries should not be reduced further. Growing protectionist pressures are not unrelated to the stagnation and decline in the volumes of international trade over the past two years, and these pressures have had a particularly harmful effect on the developing countries, whose exports are growing at rates far below those recorded in previous years.

The issue of protectionism has grown so serious that I feel it behooves me to stress how much of a real threat it is becoming to recovery and sustained growth of the world economy, and in particular to the possibilities for progress in the developing countries.

The financial system and international cooperation

As a result of the factors I have just mentioned, the distribution of the burdens involved in the process of adjusting the international economy has been skewed against the developing countries, which are making very considerable efforts to the extent that many of them are becoming exporters of capital. The difficulties these countries are facing have been rendered even more intractable by the sudden shrinking the supply of capital to them, which has compelled them to make a much quicker and larger adjustment, one that may perhaps not have been as appropriate as would have occurred under more favorable circumstances.

It seems to be a constant of history, one which successive developments and reforms of the international monetary system have been unable to modify, that capital flows tend to flood into developing countries in times of prosperity and to recede from them in times of economic crisis. One of the great tasks facing us must be to design stable mechanisms for the creation of liquidity and international reserve assets, even though this is essentially a long-range matter. In the shorter term, stability of the international monetary system requires that sufficient funds be channeled toward the countries that are carrying out rigorous adjustment programs, in order to ensure that these programs can be implemented successfully.

Private markets have been playing an increasing role in international financial intermediation, and

their action has helped to lessen the impact of higher oil prices on many of our economies. However, with the benefit of hindsight, we can say that they took on a major responsibility, making up for what ought to have been greater participation by the international institutions and government-to-government transactions. Excessive use was made of short-term borrowing to finance activities that could only produce fruit in the longer term. At the same time, the banks allowed their portfolio of international lending

"The distribution of the burdens involved in the process of adjusting the international economy has been skewed against the developing countries."

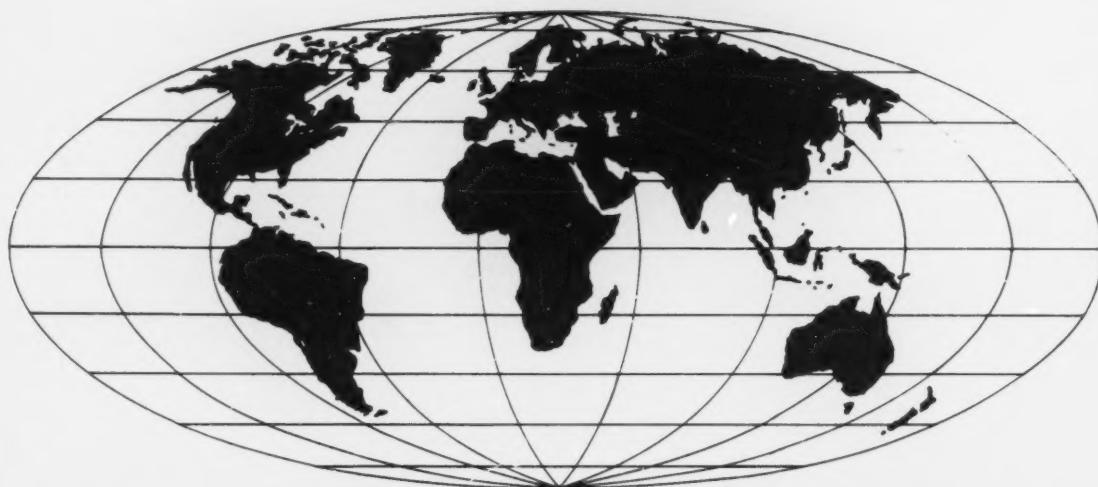
to be excessively concentrated in certain countries and regions, applying less strict criteria in the assumption of risks than they would have in domestic banking operations. All of these factors came together to create a mechanism for the generation and distribution of international liquidity predisposed to erratic fluctuations threatening to the stability of the international monetary system. An orderly transition to viable external debt and balance of payments structures in the capital-importing countries will require, first and foremost, that the private banks be prepared to maintain the minimum flows of financing required and that we should, all of us, endeavor to maintain and increase the flow of concessional funds to these countries. These financial resources, which are particularly limited under present circumstances, should be channeled to investments that will yield the highest return and, wherever possible, a balance should be sought between investments that will bear fruit in the short term and those that will require a longer gestation period. The developing countries must assign priority to investment in health and sanitation systems, education, communications, transportation and other related activities that yield high social returns.

In this process, the international financial institutions have a crucial role to play. Although the President of the World Bank and the Managing Director of the International Monetary Fund will refer to this in greater detail, I would like to remark briefly on the activities carried out by these institutions in regulating the effective use of public and private capital flows channeled from savers to borrowers in the world economy.

The World Bank Group

I would first like to refer briefly to the Program of

Banco de Santander Group



More than 170 offices overseas

The Banco de Santander is the Spanish company with the largest number of offices overseas.

The Banco de Santander Group has more than 1,000 offices

in Spain, as well as a foreign network of more than 170 offices throughout 22 countries in Europe, North America, Central America and South America.



GRUPO BANCO DE SANTANDER

Founded in 1857

The largest Spanish overseas Banking network

Special Assistance introduced by the World Bank last February. Drawn up in response to the urgency of the crisis, this program is designed to keep the level of development activities in borrowing countries implementing adjustment policies in their economies as high as possible, so as to reduce to a minimum the impact of the adjustment on their possibilities for future growth. Speedier disbursements and, where appropriate, dialogue on and assistance with suitable adjustment policies are basic elements of the program, which is projected to last for two years.

"The return of sustained, noninflationary growth in the industrial countries is the best guarantee for a generalized revival worldwide."

There is an awareness in the Bank that the gravity of the problems experienced by the developing countries requires an expansion in real terms of its lending program for the years ahead, and it will be preparing suitable proposals to this end. This brings us to the question of the flow of resources. It must be acknowledged that there is a need to strengthen the capital of the institution if we want it to properly carry out its responsibilities as a multilateral development agency. I am confident that, along the lines of the recent Eighth General Review of Quotas of the International Monetary Fund, prompt agreement will be reached on a selective increase in Bank capital in an amount which will be appropriate under the circumstances and which will take into account the current situation of its member countries.

Finally, I would be remiss if I did not mention the efforts the Bank is making to mobilize resources through its cofinancing program and the introduction of new instruments in this area designed to increase the net flow of capital to the developing countries and extend loan maturities.

Next I should like to stress the special importance for the poorest of the developing countries of the Seventh Replenishment of the International Development Association. It is vital for these countries that negotiations be conducted speedily and lead to an amount of funding appropriate to present circumstances.

I feel I am speaking for all present when I voice the hope that the negotiations under way will be concluded promptly and that their outcome will be an expression of international cooperation and solidarity

with the least privileged nations.

In concluding these brief remarks on the World Bank Group, I should like to state that the International Finance Corporation must persevere in its task of attracting and mobilizing financial and human capital for the private sector in the developing countries. Despite the adverse climate for investment in the current economic recession, we must not lose sight of the fact that the International Finance Corporation's special features make it an important instrument for mobilizing risk capital and other resources to assist the private sector in the developing countries in these difficult times.

The International Monetary Fund

I should now like to discuss the activities of the International Monetary Fund. The worsening over the past year of the problems of a number of countries with large external debts, and the changes that have taken place in exchange markets, have required the Fund to step up its activities in general, especially its operations designed to finance appropriate adjustment processes, and its supervision of the exchange and financial policies of its major member countries. I shall now discuss actions taken in the first of these two main areas of activity of the institution.

Adjustment and Financing

In the course of the financial year ended April 1983, Fund lending in connection with adoption of appropriate adjustment policies by borrowing countries increased greatly over levels prevailing in previous years. As of the end of April of this year, the Fund had entered into commitments to disburse SDR 25,000 million in connection with 39 adjustment programs, all in non-oil developing countries. In many of these cases, notably in that of borrowers experiencing liquidity problems in servicing their external obligations over the past year, the financing provided by the Fund had a multiplier effect, forming as it did the base of a sizable pyramid of private financing to those countries. The Fund certainly played a crucial role in tackling the problem of external debt in the past year and we wish to congratulate the Managing Director, Mr. de Larosière, not only on the way in which he has managed the financial and human resources of the institution but also on his personal involvement in the delicate negotiations on the external debts of the main debtor countries.

We must not, however, fall into complacency, either as a community of nations or as international organizations. The transition toward viable external debt structures has barely begun, and we must monitor the process carefully, anticipating difficulties and developing and applying the preventive medicine

**BANCO EXTERIOR GROUP... OF SPAIN...
OF GERMANY... OF FRANCE... OF CHILE...
OF BELGIUM... OF NEDERLAND... OF ITALY...
OF THE UNITED KINGDOM... OF ECUADOR...
OF PERU... OF ARGENTINA... OF PANAMA...
OF PARAGUAY... OF EQUATORIAN GUINEA...
OF COLOMBIA... OF BRAZIL... OF BOLIVIA...
OF GUATEMALA... OF BAHRAIN... OF THE
UNITED STATES... OF MEXICO... OF RUSSIA...
OF VENEZUELA... OF CAYMAN ISLAND... OF
SINGAPORE... OF PORTUGAL... OF EGYPT...
OF SWITZERLAND... OF URUGUAY... OF THE
WORLD.**



BANCO EXTERIOR GROUP
Banking without frontiers



**EXTEBANK
INTERNATIONAL DIVISION
Olympic Towers Building
645 Fifth Avenue N.Y. 10022 (EE.UU.)**

needed to minimize the negative effects of probable future disturbances in this area. The efforts undertaken by the Fund during the past year to prevent a crisis of confidence in the international monetary system fall into this category of discretionary measures which, by their very nature, cannot be applied continuously.

We fear that the Fund's resource base may be relatively small for its potential responsibilities in this critical period in world economic history. Thus, ratification of the increase in quotas under the Eighth Review and the disbursement of funds under the General Arrangements to Borrow ought to be speeded up. The agreement in principle on the limits of countries' access to Fund resources, reached with such great effort in the Interim Committee, has unfortunately not satisfied all its members. We feel, however, that the agreement may permit a measure of flexibility in its application, such that the developing countries in the worst straits will not find their possibilities of access restricted, thus facilitating their task of adjustment and strengthening the role of the International Monetary Fund. In this connection, very positive note should be taken of the gesture made by the Government of Saudi Arabia, which by promoting additional financing and offering to provide a substantial proportion of that financing, has demonstrated in a practical way its commitment to the principle of international solidarity.

Conclusion

We are passing through a period of great difficulty, which mistakes on our part may aggravate and extend. Nevertheless, in the period that has elapsed since we last met, there is evidence of an upturn in certain economic indicators in some

countries which, while still somewhat hesitant, allows us to speak of promising signs of recovery. The return of sustained, noninflationary growth in the industrial countries is the best guarantee for a generalized revival worldwide. The components of effective demand should grow in such a way as to reduce existing disequilibria between countries and, in particular, the recovery of investment should be encouraged as a means of maintaining noninflationary growth, gradually reducing the unemployment that has built up during the years of crisis, and raising labor productivity and workers' living standards.

In any event, many countries still have to complete the needed adjustments to their economies to prepare them for the revival of economic growth. This means that the adjustment process is, by its very nature, a slow process and implies, as the excellent reports prepared by the Fund and the Bank make clear, the need for national policies that endeavor to establish the basic equilibria and speed up the achievement of the targets set in the programs, without yielding to temptations that could illogically distort the international division of labor. On the other hand, the very persistence of the period of crisis, particularly in the low-income countries, is giving rise to limiting situations that must be remedied if we are to achieve a rapid recovery.

The fact of global economic interdependence is being understood more and more each day, and as a result true international cooperation, and total support for these two institutions with their proven record of utility and effectiveness, will be essential if we are to emerge from this protracted crisis, which we all want to leave behind us for good. □

Spain-U.S. Freight Rates Increased

The Iberian/U.S. North Atlantic Westbound Freight Conference has announced that an in-depth analysis of the costs of operations conducted by Member Lines of the Conference has indicated the necessity of increasing the rate level of the trade.

The following Tariff adjustments are announced:

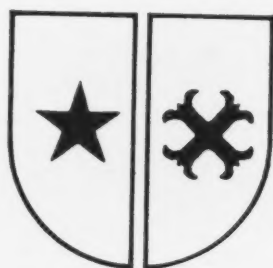
1) A General Rate Increase, effective January 10, 1984 of 12.5%, on all Tariff Rates and Additionals' rounding off the resulting figures upward to the next 50 cents.

2) Stuffing charges at Spanish and Portuguese ports on pier/pier and pier/house cargo: Effective Jan. 10, 1984 present Shipper's contribution towards the expenses connected with the stuffing of the container

at Carrier's Loading Terminal will be increased as follows: Spain: Pts. 750 per Metric Ton, minimum Pts. 750 per Bill of Lading; Portugal: Esc. 550 per Metric Ton, minimum Esc. 550 per Bill of Lading.

3) Unstuffing charges (CFSC) at U.S. ports on house/pier and pier/pier cargo: Effective Jan. 10, 1984 present Shipper's contribution towards the expenses connected with the stripping of the container at Carrier's Terminal will be increased to \$20.00 per Metric Ton.

4) Container Yard Charges (CYC) at U.S. ports on house/house and pier/house cargo: Effective Jan. 10, 1984 present Container Yard Charges will be increased by \$25.00 per container, thus bringing present figures to the following levels: U.S.\$135.00 per 20' container; U.S.\$155.00 per 35'/40' container.



If you want to talk
Business
talk to
Banco Urquijo

New York Agency

One Liberty Plaza, New York, N.Y. 10006 · Tel. (212) 791-9500

Head Office · Plaza del Rey, 1, Madrid 4, Spain



Above, left — At the Loewe fashion show at the Plaza for the benefit of the Museum of the City of New York are (L to R) Enrique Loewe, Chairman and Chief Executive Officer of Loewe, opera star Anna Moffo (Mrs. Robert Sarnoff), and Mrs. Thomas Carhart Amory, chairperson for the Museum of the luncheon.



Above, right — Mayor Edward I. Koch of New York arrives to welcome guests to the luncheon and Loewe and his firm to New York. With him is Joseph V. Noble, Director of the Museum of the City of New York.



Mr. and Mrs. Donald Trump at the Loewe Fall Fashion Show.



Mrs. Sheila Hultkrans, socialite model Nina Griscon, and Patty Davis Raynes, daughter of Marvin Davis, owner of 20th Century Fox.



Mrs. Angier Biddle Duke (left) and Mr. Alexander P. Papamarkou.

MEMBER PROFILE:

Loewe of Madrid

In early 1983, Loewe of Madrid dazzled New York with the opening of their first American flagship shop in the magnificent new Trump Tower on Fifth Avenue at 56th Street. On September 19th Loewe (pronounced Lew-ay-vay) again dazzled a number of prominent New Yorkers, some of whom are shown here, with the presentation of leather styles for men and women at a luncheon in the Grand Ballroom of the Plaza Hotel for the benefit of the Museum of the City of New York. Loewe underwrote the cost of the luncheon, which was attended by 410 people. (Photographs of some of the leather fashions they saw are on our cover).

With excellent press coverage, including a major feature in the *New York Times*, Loewe scored a hit not only for its new shop but also for Spain and the image of Spanish leathers.

The name Loewe of Madrid has been synonymous with deluxe leathers since 1846, when the first Enrique Loewe, a talented young German, emigrated to Spain and set up a small leather workshop in Madrid. Loewe's disciplined German mentality mixed with the inspiration he found in his new Spanish surroundings to form a lasting union which allowed his business to grow steadily. By the

turn of the century, Loewe's superior quality and styling were so renowned that in 1905 the King and Queen of Spain granted a royal warrant to Loewe, a honor the firm still holds today.

The firm's record of continuous growth is a noteworthy achievement, for Spain's turbulent political atmosphere affected all kinds of businesses, and Loewe was no exception. Despite the periodic



Mrs. Thomas Amory with television star Polly Bergen.



Mrs. Douglas MacArthur (center) enjoys the luncheon at the Loewe fashion show.

upheavals, however, recognition and status have been Loewe's throughout its colorful history.

From the time when Loewe first adorned the carriages of Spain's aristocrats to the firm's designation in 1905 as "purveyors to the Royal Household," the family-run firm has shaped its future with optimism.

Following Spain's devastating Civil War of 1939, Enrique Loewe, the third generation leader of the family firm, was called upon to rebuild the business, and he did so with boldness and imagination. In a time when Spain was just beginning to recover from war, the new director inaugurated Loewe's celebrated window displays, which for thirty years have represented fashion as art—part practicality, part fantasy. By the end of the 'forties, Loewe had opened stores in major cities throughout Spain and abroad.

The New York store—135 years of evolution

The exquisite new showcase store in New York clearly represents over 135 years of evolution in the firm's history. It spans three floors and displays Loewe's extraordinary array of hand-crafted merchandise. The Loewe style

is classic, yet possesses all the elements of the timeless elegance of high fashion. Luggage, travel and desk accessories, handbags, small leather items and two yearly collections of women's and men's pret-a-porter come in soft, supple leathers, silks and finely woven cottons and wools, all discreetly bearing the Loewe anagram of mirrored L's, the ultimate trademark in quality.

Loewe employs over 1000 men and women in their 46 stores, which are stocked with items made in the Loewe workshops in Madrid and Barcelona. While Loewe's veritable empire stretches from London, Brussels and Copenhagen to Kuwait, Tokyo, Hong Kong, and now New York, expansion has been so carefully planned that quality craftsmanship has never been sacrificed for the sake of growth.

Today, as always, all Loewe products are meticulously hand-crafted in Loewe's own workshops and supervised by a team dedicated to quality control.

The Loewe firm has the reputation of producing some of the world's finest artisanry, which is evidenced by the numbers of talented young people who are

eager to join the ranks of the elder statesmen of their craft by apprenticing for five years in order to become skilled Loewe leather-smiths.

The firm's recognition and nurturing of artistic talent, however, goes well beyond the Loewe workshops. Loewe is noted for their continuous patronage of the arts in Spain and abroad. Enrique Loewe, the firm's present director, has favored the support of musical events such as the First Competition for Piano, "Infanta Cristina," which recognizes the hopes and dreams of promising young Spanish pianists.

To mark Loewe's American debut, the firm has extended their support of the arts. In April 1983 the Loewe International Artistic Achievement Award was presented to Maestro Andrés Segovia for his monumental and indelible contribution to music. At the presentation ceremonies, hosted by Mayor Edward I. Koch at Gracie Mansion, Enrique Loewe announced the establishment of the \$100,000 Loewe Endowment for the Segovia Fellowship at New York University. This grant will enable an individual of rare talent to pursue higher studies in classical guitar or lute. □

For True Quality

GOYA
Foods

If it's

GOYA

...It's got to be

GOOD

GOYA FOODS, INC. - 100 Seaview Drive, Secaucus, New Jersey 07094
(212) 499-4000 • (201) 348-4900

Current Legislation in Spain

A SUMMARY OF LEGISLATION PUBLISHED BETWEEN MAY 1, 1983 AND AUGUST 31, 1983

NOTE: Official State Gazette is abbreviated "OSG"

GENERAL

1. Office of the Head of State. Organic Law 9/83 of July 15, 1983 regulating the right of holding meetings (OSG July 18, 1983).
2. Presidency of the Government. Royal Decree 2099/83 of August 4, 1983 approving rules on Protocol matters (OSG Aug. 8, 1983).
3. Presidency of the Government. Royal Decree 2102/83 of August 4, 1983 regulating the rights, privileges and responsibilities of past Presidents of the Government (OSG Aug. 8, 1983).

ADMINISTRATIVE

1. Presidency of the Government. Order of April 22, 1983 establishing a group to provide emergency assistance to foreign countries (OSG, May 6, 1983).
2. Ministry of Territorial Administration. Royal Decree 1169/83 of May 4, 1983 issuing regulations for the formation of local corporations (OSG May 6, 1983).
3. Presidency of the Government. Royal Decree 1233/83 of May 4, 1983 on measures for reorganization of the Administration of the State as a result of transferring some services to the Autonomous Communities (OSG, May 17, 1983).
4. Presidency of the Government. Royal Decree 1234/83 of April 20, 1983 on adaptation of transfer of services made to the Junta de Galicia for conservation of nature (OSG, May 19, 1983).
5. Ministry of Justice. Instructions of May 18, 1983 of the General Directorate of Registries and Notaries on Spanish nationality (OSG May 20, 1983).
6. Presidency of the Government. Royal Decree 1268/83 of May 11, 1983, which establishes the structure

and functions of the National Institute of Public Administration (OSG May 21, 1983).

This autonomous body, attached to the Presidency of Government, has to fulfill, as per this Royal Decree, a series of functions, among which the following should be mentioned:

- 1) Selection, formation and training of the officers of the Civil and State Administration under the Presidency of the Government and the Ministry of the Presidency.
- 2) Carrying out investigation and advisory activities for the development and improvement of the Public Administration.
- 3) Coordination and collaboration with other centers, Civil Administration Schools and public bodies to which the former purposes are ascribed in specific areas of the Public Administration.
- 4) Cooperation and other functions which the laws may ascribe to the State Administration in relation with the Public Administration Centers of Schools of the Autonomous Communities.
5. Technical cooperation in the development of Public Administration aimed mainly to Spanish-American countries.
7. Presidency of the Government. Royal Decree 1267/83 of May 11, 1983 to determine the composition and functions of the Coordinating Counsel of relations with European communities (OSG May 21, 1983).
8. Presidency of the Government. Royal Decree 1353/83 of April 27, 1983, amending Chapter V (preservation of food) of the Spanish Food Code approved by Decree 2484/67 of September 21, 1967 (OSG May 27, 1983).
9. Presidency of the Government. Royal Decree 1362/83 of May 25, 1983 on Constitution of the Assembly of the Community of Madrid (OSG May 27, 1983).
10. Ministry of Territorial Administration. Royal Decree 1358/83 of April 20, 1983, approving the regula-

tions on transfer of operations and services of the State to the Autonomous Community of Canarias and functions of the mixed commission set forth in the 4th Transitory Disposition of its Autonomous Statute (OSG May 27, 1983).

11. Ministry of Economy and Finance. Order of May 20, 1983 enacting regulations for the rectification of the electoral census of residents (present and absent) or legal age, with reference to March 31, 1983 (OSG May 30, 1983).

12. Ministry of Health. Royal Decree 1427/83 of May 25, 1983 creating the coordinating commission of administrative inspections of goods and services to be used and consumed (OSG June 2, 1983).

13. Ministry of Transportation, Tourism and Communications. Royal Decree 1634/83 of June 15, 1983 establishing regulations for classification of hotel establishments (OSG June 17, 1983).

First of all we must point out that hotels are classified in two groups: hotel establishments and boarding houses. Within the classification of hotel establishments are sub-classifications as follows: 1) Hotels; 2) Apartment-hotels; and 3) Motels.

The hotels and apartment-hotels are subdivided into five categories, identified with stars, which classification is determined by the characteristics of the premise and service, based on the schedule attached to Annex 2 of this Royal Decree.

On the other hand, Motels are classified in a unique category, as their rooms should adhere at least to the conditions specified in Annex 2 for two-star hotels.

Those establishments which do not fulfill the requirements established under the Hotel category will be classified under Boarding Houses, also subdivided into two categories, identified with stars.

Excepted from this regulation are long-term boarders, as well as tourist

CURRENT LEGISLATION IN SPAIN

apartments (apartment complexes, villas, bungalows, chalets) offered by agencies for rental on a regular basis, which are duly equipped for ready occupancy by vacationers or tourists.

14. Ministry of Economy and Finance. Order of June 13, 1983 establishing regulations to be applied in the revision of the assessed values of urban properties (OSG June 21, 1983).

15. Ministry of Health. Resolution of June 17, 1983 of the General Directorate of Pharmacy and Medications establishing the proceedings and necessary documentation for the authorization of those companies that manufacture and import materials and medical-surgical sterile instruments to be used only once (OSG June 29, 1983).

16. Office of the Head of State. Law 6/83 of June 29, 1983 on exceptional measures for the better usage of the insufficient hydraulic resources as a consequence of the prolonged drought (OSG June 30, 1983).

17. Office of the Head of State. Law 8/83 of June 29, 1983 on Urgent Measures on matters of Governing Bodies at the Universities (OSG June 30, 1983).

18. Ministry of Industry and Energy. Order of June 18, 1983 restructuring the General Directorate of Mining (OSG July 1, 1983).

19. Presidency of the Government. Royal Decree 1853/83 of July 6, 1983 on investments in the steel industry (OSG July 7, 1983).

20. Principality of Asturias. Law 2 of April 28, 1983 approving the General Budget of the Principality of Asturias for the fiscal year of 1983 (OSG July 8, 1983).

21. Ministry of Industry and Energy. Resolution of July 5, 1983 of the General Directorate of Mining, inviting the Spanish mining companies to apply for the grants contemplated by the Law for the Improvement of Mining (OSG July 13, 1983).

22. Ministry of Transportation, Tourism and Communications. Order of June 30, 1983 regulating the international transportation of goods (OSG July 14, 1983).

23. Presidency of the Government. Royal Decree 1945/83 of June 22,

1983 regulating the violations and penalties in matters of consumers' defense and food production (OSG July 15, 1983).

24. Ministry of Industry and Energy. Order of July 11, 1983 creating the Ministerial Commission for the Small and Medium-size Companies (OSG July 15, 1983).

25. Region of Murcia. Decree of April 21, 1983 authorizing the creation of an entity for the improvement of the Region (OSG July 15, 1983).

26. Catalonia. Law of June 27, 1983 amending the Law of the Parliament, of the President, and of the Executive Council of the Generalitat (OSG July 22, 1983).

27. Andalusia. Law of June 27, 1983 of the Andalusian Council for Labor Relations (OSG July 22, 1983).

28. Ministry of Justice. Royal Decree 2012/83 of July 28, 1983 on cancellation of criminal records (OSG July 30, 1983).

29. Presidency of the Government. Royal Decree 2035/83 of July 28, 1983 amending Royal Decree 369/82 of February 12, 1983 on production, consumption and financing of raw tobacco (OSG Aug. 3, 1983).

30. Presidency of the Government. Royal Decree 2072/83 of July 28, 1983 amending Royal Decree 709/82 of March 5, 1982, regulating the advertising and consumption of tobacco products (OSG Aug. 5, 1983).

31. Ministry of Industry and Energy. Order of August 1, 1983 regulating the implementation of the program on investigation and technological development of electronics (OSG August 8, 1983).

32. Office of the Head of State. Law 10/83 of August 16, 1983 reorganizing the Central Administration of the State (OSG Aug. 18, 1983).

In accordance with Article 1 of this Law, the Government is in charge of the control of the Civil and Military Administrations of the State.

According to Article 2, the Central Administration of the State is divided into 15 ministerial departments, whose superior organs are the Ministers, the Secretaries of State, the Deputy Secretaries, and the General Secretaries having the level of Deputy Secretaries.

Also regulated are the functions of the President and Vice President of Government, who will be assisted by the Minister of the Presidency, who will be Secretary of the Ministers Council.

Among the functions of the President of Government are that he holds representation of the Government, directs and coordinates the functioning of its members, calls and presides over meetings of the Council of Ministers, ratifies, in its case, the King's actions, and presents to the King the approved laws of the General Courts for his sanction.

This Law also deals with the system of substitutions of the President of the Government and its members, the Vice President being in charge of holding the office of the former in case of his death, absence from the country, or illness. As for substitutions for reason of absence from the country or illness of the head of a Department, it will be the President of the Government who will designate the Minister who will handle the routine matters of such person.

There is a general commission of Deputy Secretaries presided over by the Minister of the Presidency, in charge of studying and preparing the matters to be submitted to the Council of Ministers.

Finally, a new point introduced by this Law, is the requisite that the creation, amendment or abolition of the Ministerial Departments should be done from this date by Law approved by the General Courts.

33. Presidency of the Government. Royal Decree 2291/83 of July 28, 1983 on organisms for the preparation and development of informational policy of the Government (OSG Aug. 26, 1983).

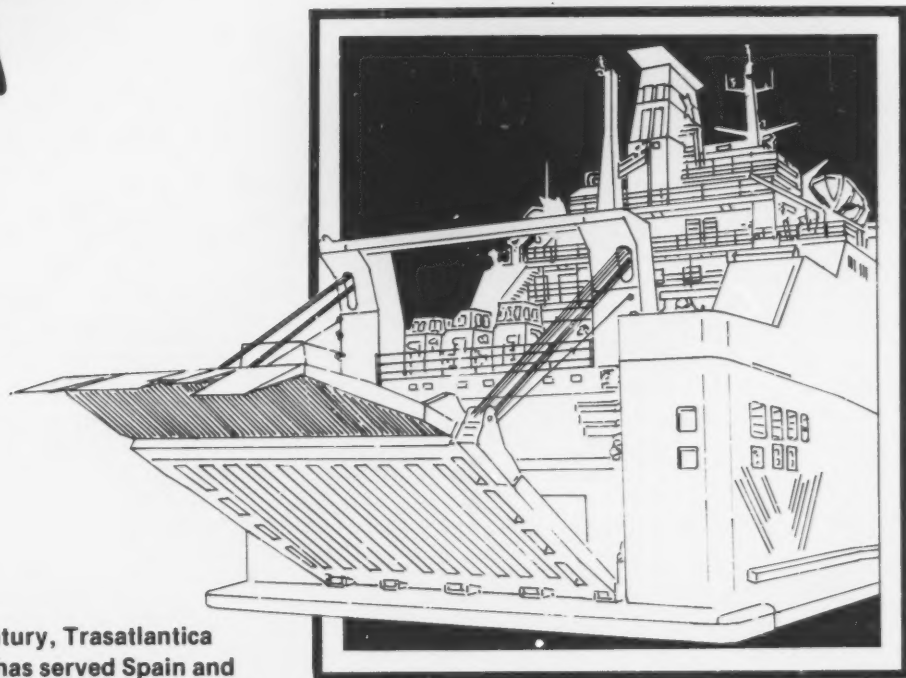
INTERNATIONAL

1. Ministry of Foreign Affairs. Protocol modifying the Administrative Agreement of May 25, 1971, amended by the modifying protocol of April 9, 1973 on the kind of applications of the Agreement between Spain and the Grand Duchy of Luxembourg on social security matters, signed in Luxembourg on Mar. 24, 1983 (OSG May 11, 1983).

2. Ministry of Foreign Affairs. Resolution of May 2, 1983 of the General Technical Secretariat, publishing the

Trasatlantica Spanish Line

Over a
Century of
Quality Service



For over a century, Trasatlantica Spanish Line has served Spain and the U.S., offering quality service and personalized attention to customers and cargo. Now, Trasatlantica Spanish Line's North Atlantic service has been expanded to include the Italian ports of Genoa and Leghorn, linking the heart of the Mediterranean with the United States. Also new is the addition of two sophisticated Ro/Ro and Lo/Lo vessels offering service between Mediterranean ports and Miami and the U.S. Gulf. General agent for the line is the Kerr Steamship Company, 2 World Trade Center, New York, N.Y. 10048; telephone (212) 524-1100; with offices throughout the United States.



TRASATLANTICA
Spanish Line

CURRENT LEGISLATION IN SPAIN

notifications between governments on existing treaties (OSG May 11, 1983).

3. Ministry of Foreign Affairs. Supplementary Agreement of January 21, 1983 on scientific cooperation between the Governments of Spain and Venezuela, signed in Caracas (OSG May 14, 1983).

4. Ministry of Foreign Affairs. Denunciation of the Agreement between the Governments of Spain and Equatorial Guinea on the subject of telecommunications, signed in Malabo on Dec. 5, 1979 (OSG May 20, 1983).

5. Ministry of Foreign Affairs. Agreement of Friendship, Defense and Cooperation between the Kingdom of Spain and the United States of America, made in Madrid on July 2, 1982, with annexed and supplementary agreements, and protocol to the Agreement of Friendship, Defense and Cooperation signed in Madrid on February 24, 1983 (OSG May 20, 1983).

6. Ministry of Foreign Affairs. Supplementary Hispanic-Chilean Agreement for the cooperation with the center of investigation and improvement of technical education (CIPET) at the Technical University "Federico Santa María," and annexed protocol, signed in Santiago de Chile on Dec. 27, 1982 (OSG May 27, 1983).

7. Office of the Head of State. Instrument of Ratification dated Nov. 19, 1982, of the Cultural Agreement between the Governments of Spain and India, made in Madrid on Sept. 16, 1982 (OSG May 31, 1983).

8. Office of the Head of State. Instrument of Ratification dated April 29, 1980, of the European Agreement relative to the Juridical Statute of the Migrant Worker, made in Strasbourg on Nov. 24, 1977 (OSG June 18, 1983).

In summary, this Agreement regulates the juridical situation of migrant workers, citizens of the nations members of the European Council, in order to grant them the same treatment as those workers of the host country in all matters related to their living and working conditions.

9. Ministry of Foreign Affairs. Agreement of Oct. 20, 1972 on rules for the prevention of collision between vessels, made in London; amendments approved Nov. 19, 1981 (OSG June 23, 1983).

10. Ministry of Foreign Affairs. Date of effectiveness of the Agreement between the Governments of Spain and the Republic of Portugal on scientific and technical cooperation in the field of atmospheric sciences, signed in Lisbon on May 11, 1981 (OSG July 6, 1983).

11. Ministry of Foreign Affairs. Agreement of March 21, 1978 between the Governments of Spain and France on cooperation in the field of scientific and technical meteorology, signed in Madrid (OSG July 7, 1983).

12. Office of the Head of State. Instrument of Ratification dated May 18, 1982 of the Treaty between Spain and Austria on Social Security, and final protocol, signed on Nov. 6, 1981, and Agreement for the Implementation of the Treaty, signed in Vienna on April 8, 1982 (OSG July 8, 1983).

13. Ministry of Foreign Affairs. Exchange of Notes, constituting an Agreement, between the Governments of Spain and the United States of America, regulating the affiliation of the Spanish Social Security system of employees of the U.S. Embassy and consular offices in Spain who are not U.S. citizens; Madrid, April 8 and Dec. 1, 1982, respectively (OSG July 9, 1983).

14. Ministry of Foreign Affairs. Renewal of the Declaration made by Spain on June 11, 1981, in connection with Article 25 of the European Convention for the Protection of Human Rights and other Fundamental Liberties, signed in Rome on Nov. 4, 1950 (OSG July 15, 1983).

15. Ministry of Foreign Affairs. Special Agreement dated April 13, 1978, for the scientific and technical cooperation in the field of textile engineering, between the Governments of Spain and Portugal, signed in Lisbon (OSG July 18, 1983).

16. Ministry of Foreign Affairs. Date of effectiveness of the Agreement on cooperation between the Government of Spain and the United Nations Economic Commission for Latin America, signed in Madrid on Feb. 12, 1983 (OSG Aug. 1, 1983).

17. Ministry of Foreign Affairs. Treaty dated April 7, on cultural, educational and scientific cooperation between Spain and the Popular Republic of China, signed in Madrid (OSG

Aug. 2, 1983).

18. Ministry of Foreign Affairs. Royal Decree 2094/83 of July 28, 1983, elaborating on certain aspects of the Agreement of Friendship, Defense and Cooperation between Spain and the United States (OSG Aug. 6, 1983).

19. Ministry of Foreign Affairs. Treaty of May 30, 1983 on maritime transportation, between the Governments of Spain and the U.S.S.R., signed in Moscow (OSG Aug. 17, 1983).

20. Office of the Head of State. Instrument of Adhesion of March 3, 1983 of Spain to the Multilateral Convention of Mutual Assistance and Cooperation between the Customs Authorities, signed in Mexico on Sept. 11, 1981 (OSG Aug. 24, 1983).

FISCAL

1. Ministry of Economy and Finance. Royal Decree 1062/83 of March 30, 1983 amending the annex to the Fiscal Ordinance regulating the special tariff on insular duties covering importation of merchandise into the Canary Islands (OSG May 2, 1983).

2. Ministry of Economy and Finance. Circular 889 of April 23, 1983 of the General Directorate of Customs and Special Taxes, on tax abatements on exports. Quota deductions. (OSG May 4, 1983).

3. Ministry of Economy and Finance. Order of Mar. 4, 1983 establishing the functions of the national coordinators of imported products (OSG May 4, 1983). The most outstanding functions required are the following: 1) Unify the criteria established regarding quality inspection, in accordance with those outlined by the General Directorate of Tariff and Importation Policies.

2) Supply information to the General Directorate of Tariff and Importation Policies, with sufficient time prior to the commencement of national campaigns, regarding factors and characteristics of the product that may have a bearing on the quantity and commercial quality of same.

3) Propose to said General Directorate the extensions or restrictions of those conditions that should be applied to each product within the quality regulations.

4) Inspect the products located at the

SOIVRE inspection localities, declaring them either suitable or not suitable for importation, even if this implies the revocation of a prior inspection.

5) Preparation of a yearly statement on the products they coordinate.

4. Ministry of Economy and Finance. Royal Decree 1261/83 of April 27, 1983 on Rules on Withholdings and Installment Payments of the Corporate Income Tax (OSG May 20, 1983).

The most important aspect of this Decree: It includes the general schedule of withholdings as well as the new schedules applicable to families having an especially large number of children, and to the payment of pensions and retirement funds. In the latter case, the new schedule is applicable to pensions under 1,500,000 pesetas per year.

This Decree also amends several sections of corporate income tax regulations, establishing the tax on income derived from movable assets at 16%. Finally, the withholdings on income derived from professional, artistic or sport activities and compensation to board members of a company will be 10% and 25% respectively.

5. Ministry of Economy and Finance. Resolution of May 12, 1983 of the General Directorate of Exports modifying the list of goods admitted under the regime of global exportation (OSG May 24, 1983).

6. Ministry of Economy and Finance. Resolution of May 5, 1983 of the General Directorate of Exports, outlining the sectors of individual exporters for the period from 1984 through 1987 (OSG May 24, 1983).

7. Ministry of Economy and Finance. Circular 890 of May 7, 1983 of the General Directorate of Customs and Special Taxes, on temporary importation of cars for residents of Canarias, Ceuta, Melilla, or a foreign country, when residence is transferred to the Peninsula or the Canary Islands (OSG May 26, 1983).

8. Ministry of Economy and Finance. Royal Decree 1406/83 of May 25, 1983 amending the Special Turnover Equalization Tax (Impuesto de Compensación) to the importation of corn (OSG May 28, 1983).

9. Ministry of Economy and Finance. Resolution of May 17, 1983 of the General Directorate of Taxation on the date to present the declaration of Corporate Tax by those concerns referred

to in Article 5, of Law 61/78 of Dec. 27, 1978 (OSG May 30, 1983).

10. Ministry of Economy and Finance. Order of May 31, 1983 amending Section 3 of Order dated May 14, 1965 on the temporary importation of packing (OSG June 14, 1983).

11. Ministry of Economy and Finance. Order of June 6, 1983 on withholdings and installment payments on Personal Income Tax, and extension of the application of the rules of single objective estimates simplified for the farming sector (OSG June 15, 1983).

12. Ministry of Economy and Finance. Royal Decree 1633/83 of May 4, 1983 amplifying the extension and amending the equipment list annexed to the Customs Tariff (OSG June 17, 1983).

13. Ministry of Economy and Finance. Resolution of June 10, 1983 approving the model of declaration of Corporate Income Tax for the groups which have been granted the system of consolidated benefits tax payment (OSG June 17, 1983).

14. Ministry of Economy and Finance. Royal Decree 1652/83 of May 25, 1983 establishing customs quotas, free of duties, covering the importation of those goods indicated in the annex to this Royal Decree (OSG June 20, 1983).

15. Ministry of Economy and Finance. Order of June 17, 1983 establishing rules on the preparation of the State Budget and on the projects and programs of investments and financing of the State corporations for the year 1984 (OSG June 23, 1983).

16. Ministry of Economy and Finance. Royal Decree 1678/83 of June 15, 1983 establishing customs quota for importation, with reduced taxes, of new automobiles, classified under Item 87.02.A.I.b./ of the Customs Tariff (OSG June 24, 1983).

17. Ministry of Economy and Finance. Circular 891 of May 31, 1983 of the General Directorate of Customs and Special Taxes, on compiling the dispositions of the taxes and parafiscal levies to be collected by Customs (OSG June 28, 1983).

18. Office of the Head of State. Law 5/83 of June 29, 1983 on urgent measures of budget, financial and tax-

able matters (OSG June 30, 1983).

This Law maintains certain deductions from the payable income tax. There is a general deduction of 16,500 pesetas. In addition, a deduction in the same amount for marriage and 13,000 pesetas for each of the first three children, and of 18,000 pesetas for each of the additional children. The Law enumerates the circumstances required for the children's deductions. Additionally, it established the deductions for parents living in the household of the taxpayer, for members of the family unit who are 70 years old or older, and for those that are handicapped. Finally, there is a deduction of 1% of the net income derived from work.

Concerning the investment, such as purchase of a primary residence, purchase of shares of stock, restoration of buildings declared of a historical value, and interest paid on loans for the acquisition of stock in the company where the taxpayer works, the law establishes the possibility of deducting 15% of the investment, not exceeding 30% of the taxable income of the taxpayer.

This law also permits individuals who operate a business, or professionals, to use the same deductions existing for legal entities in the case of business investments, as well as those that may be created in the future in the corporate tax regulations.

The capital gains obtained upon sale of the primary residence of a taxpayer will not be taxable under the following conditions: that within two years from the date of sale, the proceeds, not exceeding 15,000,000 pesetas, are fully reinvested in another primary residence. If the amount reinvested is less than the amount of the proceeds from the sale, or more than 15,000,000 pesetas, the free tax portion will only be the difference between the amount reinvested and the gross proceeds from the sale not exceeding 15,000,000.

Concerning the corporate tax, the law fixes at 26% the tax rate applicable after January 1, 1983 to savings banks, credit cooperatives and mutual insurance companies. It also provides for a 10% deduction on the payable tax of the amounts invested as follows:

- 1) New fixed assets.
- 2) Creation, planning or design of books and of prototypes having a direct connection with the editing of books, provided that such amounts

appear in the balance sheet as investments.

3) The amounts that export companies devote to:

a) The creation of branches or permanent establishments abroad, as well as the acquisition of shares of stock of a foreign company, or the formation of affiliated companies directly connected with the export activity, provided the export company acquires at least 25% of the stock capital of the affiliated company.

b) The payment abroad of public relations and advertising expenses in connection with the introduction of products, opening of new markets and participation in fairs, shows, exhibitions and similar events.

4) The amounts invested in investigation programs or development of new products or industrial procedures, provided such investments appear in the balance sheet as such.

The above-mentioned 10% will be deducted from the payable tax, after deduction of the double taxation credit and other tax benefits, if any. The double tax credit for those taxpayers under personal obligation will be the lesser of the following amounts:

a) The actual tax paid abroad under the corresponding tax, or

b) The tax that would have been paid within Spain if the income would have originated in Spain.

The law provides the effective tax rates applicable to individuals or legal entities not residing within Spain, which obtain income subject to taxation by real obligation, provided they are not obtained through a permanent establishment. The rates are as follows:

a) Generally, 16%.

b) 10% on the amounts paid to the parent company or to a foreign company that controls the Spanish company, as payment for services connected with the running of the business, provided there is a legal obligation to perform the services and such performance has taken place.

c) 7% on income derived from leasing or use within Spain of films and other cinematographic products, including those used in advertising campaigns.

For services, technical assistance, expenses for installation and assembling, derived from engineering contracts and, in general, in the case of economic activities carried out in

Spain without a permanent establishment, the effective tax rate will be 16% of the difference between the gross income and the expenses for personnel and supplies of materials, in the terms that will be determined by regulations. Finally, we should note that there will be no compensation for losses or revenues obtained in Spain without a permanent establishment when the individual or entities receiving the income are not residents of Spain.

Concerning the turnover tax, the Law increases the rate to 5%.

19. Ministry of Economy and Finance. Resolution of June 27, 1983 of the General Directorate of Exports expanding the list of goods admitted under the regime of global exports (OSG July 7, 1983).

20. Ministry of Economy and Finance. Resolution of June 27, 1983 of the General Directorate of Exports, expanding the list of goods that can be exported without an export license (OSG July 7, 1983).

21. Office of the Head of State. Law 9/83 of July 13, 1983 approving the General Budget of the State for the fiscal year 1983 (OSG July 14, 1983).

Among the matters included in this Law we must note the limitations imposed on the State guarantees during this fiscal year, for exterior credit operations of any nature, which cannot exceed 105,000 million pesetas. The Government is also empowered to, under proposal from the Ministry of Economy and Finance, issue or contract public debt of the State to finance those expenses authorized by this Law, to a maximum amount of 380,000 million pesetas.

Insofar as the global apportion of the Treasury to the Official Credit for fiscal year 1983 is concerned, this has been fixed at 285,000 million pesetas; also fixing at 120,000 million pesetas the maximum limit of currency in circulation.

Regarding fiscal matters, this Law amends the Income Tax schedule of individuals, the average of which fluctuates from 15.72% for the first 200,000 pesetas and 44.78% for income exceeding 12,200,000 pesetas. Also the final rate of this tax (which was 42%) is raised so as not to exceed on personal obligation the 45% of the taxable base, nor jointly with the

corresponding amount to the Tax on the wealth of 65% of such base.

In connection with the patrimony variations, we note that this Law incorporates certain rules for the determination of the values of acquisition on transfers of ownership effected between January 1 and December 31, 1983.

Regarding the Corporate Tax, the salient point is that for 1983 the general tax rate is increased to 35%. As far as those entities included in sections (e) of paragraphs 1 and 2 of Article 5 of the Tax Law, it should be pointed out that the tax amount has also been amended, by fixing 18% for the year 1983.

The types of tax which we have referred to before will be applied to benefits corresponding to the first fiscal year completed after the date of effectiveness of this Law, unless such fiscal year consists of less than 12 months, in which case the next fiscal year, or years, will also be the same, but only on the part of benefits which proportionately correspond to the time needed to complete the 12 months.

Regarding the matter of deductions, some procedures are given relative to the additional deduction of 5% over the net investing done in 1983 in new tangible fixed assets which will be deductible from the payable tax. The present Law also offers some regulations regarding the application of tax incentives to those groups or companies using the consolidated tax system.

As far as the Luxury Tax is concerned, it should be pointed out that as soon as this Law comes into effect the acquisition of paintings, sculptures and original engravings referred to in Article 23 A c) of the Refunded Tax of the Luxury Tax will be exempt, provided the authors are Spanish artists alive at the time of the transfer.

Finally, the Law imposes an obligation on the Stock and Exchange Agents, Licensed Commercial Brokers and Notaries that take part or authorize the issuance, subscription and transfer of stock or any other commercial paper or public bonds, to advise of such operations when this is requested by the Taxing Administration. The same obligation covers the Savings and Credit Institutions, as well as any individual or legal person that customarily deals in this type of operations.

Let us solve your problems

Banco de Vizcaya speaks the language of your business.

INTERNATIONAL BANKING DIVISION:

Paseo de la Castellana, 110 - Madrid-6
Tel.: 411 2062 - Telex 22571 - 42382
Swift: VIZCFSMM

INTERNATIONAL BRANCH NETWORK:

New York Branch

400, Park Avenue, N.Y. 10022
Tel. (212) 826 - 1540
Telex: 66199
Swift: VIZC US 33

San Francisco Agency

650 California Street
San Francisco, California 94108
Tel. (415) 392 - 2530
Telex: 67534

Miami Agency

One Biscayne Tower, 38 th. Floor
2 South Biscayne Boulevard
Miami: Florida 33131
Tel. 305-358-9882
Telex: 441540

Nassau Branch

C/O Roywest Banking Corp. Ltd.
P.O. Box 4889 - BAHAMAS

London Branch

58-60 Moorgate
London EC2R 6BN
Tel. 1-920-0121
Telex: 893461/2

Paris Branch

15, Avenue Matignon, 75008 - Paris
Tel. (1) 359 55 09
Telex: 64 14 23/5

Amsterdam Branch

Herengracht 479
1001 JC Amsterdam
Tel. (020) 26 30 33
Telex: 13582 - 16288

Bahrain O.B.U.

Kanoo Tower (Phase III)
4th floor - Tujjard Rd.
Manama - State of Bahrain
Tels. 25 32 61 - 25 33 40
Telex: 9060 Bancay

REPRESENTATIVE OFFICES

Argentina

Avda. Corrientes, 311
Oficina, 101
Buenos Aires 1043
Tels. (541) 361 20 65 - 361 21 15
Telex: 17739

Brazil

Rua do Carmo, 11
Andar, 19
Rio de Janeiro - RJ
Tels. (5521) Area Code 2427076-
2428606
Telex: 2132591

Chile

Paseo de Ahumada, 254-3°
Oficina, 31. Santiago de Chile
Tel. (562) Area Code 726641
Telex: 40329 Baviz

México

Avda. Juárez, 4
Mexico, 1 D.F.
Tel. (525) 585 00 30
Telex: 1777460

Venezuela

Avda. Francisco Miranda -
Edificio Torre Europa
Oficinas 7 y 8 - Caracas
Tels. (582) 33 43 53 - 33 25 08
Telex: 23532

Germany

Friedensstrasse, 11
6000 Frankfurt/Main, 1
Tel. (611) 23 32 91
Telex: 413215

Japan

Yurakucho Denki Bldg. 652
7-1, 1 Chome - Yurakucho
Chiyoda-ku
Tokyo 100
Tel. (03) 287-0791
Telex: J 29472

Hong-Kong

2.114 Connaught Center
Central Hong-Kong
Tel. 5 - 21 63 49
Telex: 62898

Italy

Via Alberico Albricci, 9
1° Interno D Scala A
Milan 20122
Tel. 875 525 - 867 661



Banco de Vizcaya

Gran Vía, 1 - Bilbao - Spain. Tel: (94) 416 64 00 Telex: 32040

22. Ministry of Economy and Finance. Royal Decree 1936/83 of June 15, 1983 temporarily amending customs duties applicable to certain preparations used in poultry farming as colorants (tariff item 32.04 of the Customs Tariff). (OSG July 14, 1983).

23. Ministry of Economy and Finance. Royal Decree 1937/83 of June 15, 1983 establishing a quota, free of duties, for the importation of styrene (estireno) (Customs entry 29.01 DII). (OSG July 14, 1983).

24. Ministry of Economy and Finance. Royal Decree 1938/83 of June 15, 1983 establishing temporary amendments to customs duties to be applied to certain goods (OSG July 14, 1983).

25. Ministry of Economy and Finance. Order of July 5, 1983 fixing the maximum quantity to import during 1983 to be charged to customs quotas, free of duties, of motors, shift boxes, sheet elements, and subgroups for automobile bodies (OSG July 19, 1983).

26. Ministry of Economy and Finance. Order of July 11, 1983 establishing a special term of presentation of tax declarations for corporations affected by Law 7/83 of June 29, 1983 (OSG July 19, 1983).

Law 7/83 refers to the Rumasa group companies expropriated.

27. Ministry of Economy and Finance. Resolution of May 20, 1983 of the General Directorate of Budget determining the publication of planning, investment and financing programs for fiscal 1983 of the State controlled companies listed, which were approved by the resolution of the Council of Ministers of March 30, 1983 (OSG July 20, 1983).

28. Ministry of Economy and Finance. Resolution of July 18, 1983 of the General Directorate of Taxation, clarifying Order of June 6, 1983 on withholdings and partial estimated payments for Income Tax (OSG July 23, 1983).

29. Ministry of Economy and Finance. Royal Decree 2014/83 of July 28, 1983 of the General Directorate of Customs and Special Taxes, on the temporary importation of personal radio receivers (OSG Aug. 2, 1983).

30. Ministry of Economy and Finance. Circular No. 892 of July 14,

1983 of the General Directorate of Customs and Special Taxes, on the temporary importation of personal radio receivers (OSG Aug. 2, 1983).

31. Ministry of Economy and Finance. Circular No. 893 of July 15, 1983 of the General Directorate of Customs and Special Taxes, modifying certain dispositions of Circular No. 869 on the application of the Spain-CEE Agreement (OSG Aug. 2, 1983).

32. Ministry of Economy and Finance. Circular No. 895 of July 26, 1983 of the General Directorate of Customs and Special Taxes, on the establishing of statistical codes (OSG Aug. 10, 1983).

33. Ministry of Economy and Finance. Royal Decree 2132/83 of June 1, 1983 amending items 29.28, 47.02, 91.04 and 91.08 of the Customs Tariffs (OSG Aug. 10, 1983).

34. Ministry of Economy and Finance. Order of July 29, 1983 establishing regulations on the declaration of income obtained without intervention of a permanent establishment by persons or entities not residing in Spain (OSG Aug. 13, 1983).

35. Ministry of Economy and Finance. Order of July 7, 1983 fixing basic prices on the importation of certain steel products (OSG Aug. 17, 1983).

37. Office of the Head of State. Law 11/83 of August 16, 1983, on financing measures in support of exportation (OSG Aug. 18, 1983).

In view of this disposition, those credits to be used in the financing of exportation of Spanish goods and services granted by Banks, Savings Institutions and Credit Cooperatives classified as Spanish, Banco Exterior de España and foreign banks, may be subsidized through the Official Credit Institute.

The referred-to subsidizing should cover the difference between the market cost of the necessary funds to finance the export operation and the revenues that the financial entity may obtain as a consequence thereof, plus an annual percentage margin over the loan amount. In this regard it should be pointed out that the annual margin and the procedure to determine the difference between the cost of the funds and the revenues of the financing referred to above will be separately

regulated.

37. Presidency of the Government. Royal Decree 2290/83 of July 13, 1983 on the application to the Group "Ulgor, S. Coop" of benefits provided by Law 21/82 of June 9, 1982 on reconversion of the sector of domestic appliances, white section (OSG Aug. 26, 1983).

38. Ministry of Economy and Finance. Royal Decree 2297/83 of July 28, 1983 totally abolishing the customs duties imposed on the importation of methyl alcohol under entry 29.04 A.I. of the Customs Tariff (OSG Aug. 27, 1983).

COMMERCIAL

1. Ministry of Agriculture, Fishing and Food Staples. Order of April 22, 1983 supporting the installations of tobacco drying "Virginia" type and others complementary (OSG May 2, 1983).

2. Ministry of Economy and Finance. Royal Decree 1269/83 of April 13, 1983 on the conditions and functioning of the Financing Institutions and Term Sales (OSG May 21, 1983).

This Royal Decree fixes the minimum stock capital for the Financing entities wishing to operate in Spain. Those entities operating on a country-wide basis will require a capital of no less than 300 million pesetas. The minimum for those operating in several provinces or in only one will be 150 million and 50 million pesetas respectively. However, when their main offices will be located in Madrid or Barcelona, their capital stock will be at least 150 million pesetas.

Finally, and insofar as foreign participation in the capital of financing entities is concerned, it should be pointed out that from now on it will be governed by the general rules applicable to foreign investment in Spain.

3. Presidency of the Government. Royal Decree 1404/83 of April 13, 1983, regulating production, intervention and prices of certain ethyl alcohols (OSG May 29, 1983).

4. Ministry of Economy and Finance. Order of May 28, 1983 on the regulation of operative conditions of the Financing Institutions (OSG June 10, 1983).

This Order supplements Royal Decree 1269/83 (See No. 2 above). It es-

establishes the number of branches, which will be proportional to the volume of own resources. It also provides that when the own resources of the Financing entities are less than 50, 150 or 300 million pesetas, depending on whether the entities operate in only one province, in several provinces or on a countrywide basis, those entities will have to apportion to the Fund for Prevision Anticipation of Risks an amount equivalent to 0.75% of the volume of their operations.

It also limits the size of the exposure towards an individual or company or with a group of entities connected with such individual or company. Such limits will again depend on the volume of own resources and will vary between 2.5% and 5% of their own resources.

Finally, this order permits the continuation of the activities of the existing Financing entities, provided they increase the volume of their own resources to the minimums fixed by Royal Decree 1269/83, according to a calendar approved by the General Directorate of the Treasury and Finance Policy.

5. Ministry of Economy and Finance. Resolution of June 10, 1983 of the Directorate General of Foreign Transactions on commercial transactions between foreign countries effected by residents of Spain (OSG June 27, 1983).

This resolution establishes the need for previous authorization from the General Directorate of Foreign Transactions covering commercial operations outside of Spain made by residents of Spain on those cases where the country of origin or destination of the merchandise has signed with Spain, through its Central Bank and the Banco de España a Reciprocal Credit Agreement.

This authorization will also be required when the country of destination of the merchandise is not included in the schedule shown in Article 1 of this Resolution. On this we should point out that this schedule contains the majority of the industrialized nations excepting the Soviet Union.

6. Ministry of Economy and Finance. Order of June 21, 1983 extending to July 1, 1984 the application of the guarantee on the final bond issued on contracts covering works and supplies with the State (OSG June 27, 1983).

7. Ministry of Economy and Finance. Royal Decree 1782/83 of March 15, 1983 interrupting, during the year 1983, the application of Royal Decree 1193/82 of April 30, 1982, which complements Decree 461/71 of March 11, 1971 on price revisions (OSG June 30, 1983).

8. Office of the Head of State. Law 3/83 of June 29, 1983 making available credits to standardize fund advances and take care of budget shortages on fiscal years prior to 1983 (OSG June 30, 1983).

9. Office of the Head of State. Law 7/83 of June 29, 1983, on expropriations by reason of public utility and social interest of Banks and other corporations which comprise the "RUMASA S.A." Group (OSG June 30, 1983).

This Law reproduces, in most aspects, the wording of the Royal Decree-Law of February 23, 1983 which it replaces. It was enacted with two purposes. One, to cure the constitutional clouds existing on that Royal Decree-Law, and the other to supplement or correct certain issues not properly regulated by the same.

Article 1 bases the need for the expropriation of the stock owned by the Group RUMASA on grounds of public utility and social interest, in order to protect the stability of the financial system and the legitimate interests of depositors, workers and third parties.

In Article 2, the General Directorate of the Patrimony of the State is authorized to assume all the faculties of the management bodies of the expropriated entities with power of delegation on the Deposit Guarantee Fund or on administrators appointed.

Article 3 creates a "Community of Shareholders" to intervene in the expropriation proceedings. However, a shareholder of an expropriated company can refuse to form part of such community, in which case he will intervene in the proceedings individually. It also regulates the operating of such community.

Article 4 presents new aspects in regulating in detail the procedure to determine the value of the assets expropriated.

Finally, Article 5 authorizes the Government to sell all or part of the stock of the companies expropriated, provided the social interest, base of

the expropriation, remains protected.

10. Ministry of Economy and Finance. Order of June 13, 1983 determining the percentage of the assets of the Funds Investment companies to be held in cash for a period of less than a year, on a temporary basis (OSG July 2, 1983).

11. Ministry of Economy and Finance. Order of August 2, 1983 on the amount of interest payable on compulsory deposits in the Bank of Spain by the Entities for Deposit. (OSG Aug. 8, 1983).

12. Ministry of Economy and Finance. Resolution of July 29, 1983 of the General Directorate of the Treasury and Financing Policy, on operation conditions of the financing entities (OSG Aug. 11, 1983).

This Resolution clarifies and develops what was established by the Order of May 28, 1983 (see No. 4 above).

13. Office of the Head of State. Organic Law 10/83 of August 16, 1983, amending Law 40/79 of December 10, 1979, on Legal Regime of Exchange Controls (OSG Aug. 18, 1983).

First of all it should be pointed out that the main reason why Organic Law 10/83 of August 16, 1983 was enacted, modifying Chapter II (Currency Crimes) of Law 40/79 of December 10, 1979 on Juridical Regime of Exchange Controls, is to comply with the constitutional mandate that all matters affecting the fundamental rights and public liberties have to be regulated by Organic Law. In this sense it should be mentioned that prior to this amendment, Law 40/79 of December 10, 1979, which was not an Organic Law, established the possibility of imposition of sentences depriving of liberty, which, based on the aforesaid, was a violation of the constitutional warranties.

The present Law also determines, in a more precise way, the different types of currency crimes.

The most important innovation incorporated in the present Law is that referring to criminal acts in currency matters committed within associations or organizations, as a result of which said entities or persons forming part of same will be civilly liable subordinately for such entities or organizations.

14. Ministry of Economy and Finance. Royal Decree 2292/83 of July

28, 1983 amending Royal Decree 1718/82 of June 25, 1982 on prefinancing of exports of goods exported on consignment (OSG Aug. 26, 1983).

LABOR

1. Presidency of the Government. Royal Decree 1167/83 of April 27, 1983 including, under the unemployment benefits system, all temporary personnel of the Public Administration, as well as the civil servants (OSG May 9, 1983).

2. Ministry of Labor and Social Security. Order of May 9, 1983 on the implementation of Royal Decree 1445/82 of June 25, 1982, amended by Royal Decree 3887/82 of December 29, 1982, regulating several measures for the increase of employment (OSG May 14, 1983).

3. Ministry of Labor and Social Security. Royal Decree 1356/83 of May 25, 1983, extending the date to start belonging to the system of extensions and partial payments of the Social Security Tax and of the unemployment, Salary Guarantee Fund and Professional Development payments, regulated by Royal Decree 666/83 of March 25, 1983 (OSG May 27, 1983).

4. Ministry of Labor and Social Security. Royal Decree 1451/83 of May 11, 1983 through which, in compliance with stipulations of Law 13/82 of April 7, 1982, selective employment or job development covering handicapped labor force is regulated (OSG June 4, 1983).

5. Office of the Head of State. Law 4/83 of June 29, 1983, determining the working day of forty hours and annual vacation of thirty calendar days (OSG June 30, 1983).

6. Ministry of Labor and Social Security. Resolution of July 5, 1983 of the General Directorate of Economic and Juridical Regime of the Social Security, determining for the year 1983 the monthly complementary quota for health assistance in the Special Regimes of the Social Security for business representatives, self-employed workers and book writers (OSG July 8, 1983).

7. Ministry of Labor and Social Security. Order of July 4, 1983 abolishing Articles 34 to 38 of Order of July

7, 1980 relative to the extension of payment of quotas in dispute before the Labor Courts (OSG July 9, 1983).

8. Ministry of Labor and Social Security. Order of July 6, 1983 establishing the functioning programs of the National Fund for Protection of Labor for fiscal year 1983 (OSG July 15, 1983).

9. Ministry of Labor and Social Security. Royal Decree 2001/83 of July 28, 1983 on the regulation of the working day, special days and working breaks (OSG July 29, 1983).

CONSTITUTIONAL COURT

1. Constitutional Court. Petition for declaration of the unconstitutionality of paragraph 2 of the Additional Disposition 5 of Law 8/80 of March 10, 1980, of the Workman Statute by opposition with Articles 35, 14 and 9 of the Constitution (OSG May 13, 1983).

2. Constitutional Court. Petition for declaration of the unconstitutionality of Article 1335 of the Law on Civil Procedure (arrest of the bankrupt person) by contradiction with Art. 24.2 of the Constitution (OSG May 14, 1983).

3. Constitutional Court. Positive Conflict of Jurisdiction. Decision 27/83 of April 20, 1983. Conflict raised by the Government of the Nation against Circular of the Labor Department of the Generalitat of Catalonia on the interpretation and enforcement of Art. 2 of a Royal Decree increasing the additional payment for overtime hours (OSG May 17, 1983).

4. Constitutional Court. Appeal on constitutional grounds. Sentence 38/83 of May 16, 1983. Appeal against final draft for the Bill of Organic Law modifying specific articles of Law 39/78 covering local elections (OSG May 20, 1983).

5. Constitutional Court. Appeal on constitutional grounds, filed by the Parliament of Canaries against Royal Law Decree 1/83 of February 9, 1983, eliminating levy imposed on the price of gasoline in the Canary Islands, Ceuta and Melilla (OSG May 24, 1983).

6. Constitutional Court. Appeal on constitutional grounds filed by the Second Chamber of the Supreme Court, on the possible unconstitutionality of Law 40/79 of December 10,

1979, regulating the System of Exchange Control, in relation to Articles 25.1 and 81 of the Spanish Constitution (OSG June 2, 1983).

The Supreme Court raises the issue of constitutionality on the fact that Law 40/79 is not an Organic Law and nevertheless imposes jail terms in certain cases.

The decision of the Constitutional Court will have an important effect on a number of pending cases and on the future deterrent effects of the Exchange Control Regulations.

7. Constitutional Court. Appeal on constitutional grounds, filed by the President of the Government against Law 1/82 of March 3, 1982 of the Parliament of Catalonia (OSG June 10, 1983).

8. Constitutional Court. Appeal on constitutional grounds, filed by the Basque Parliament against section 3 of the Temporary Disposition 7 of the Organic Law 4/83 of February 25, 1983 of the Autonomy Statute of Castilla-León (OSG June 30, 1983).

9. Constitutional Court. Appeal on constitutional grounds, filed by the Basque Government against sections a) and b) of Point 3 of temporary disposition 7 of the Autonomy Statute of Castilla-León, approved by Organic Law 4/83 of February 25, 1983 (OSG June 30, 1983).

10. Constitutional Court. Appeal on constitutional grounds No. 380/83 against Organic Law 5/83 of March 1, 1983 on Segovia becoming part of the Autonomous Community of Castille and León (OSG July 5, 1983).

11. Constitutional Court. Appeal on constitutional grounds No. 381/83 against Organic Law 4/83 of February 25, 1983, approving the Autonomy Statute for Castille and León, in relation with the inclusion of León in this community, as well as the references which are made to this province in the statute (OSG July 6, 1983).

12. Constitutional Court. Appeal on constitutional grounds No. 517/83 filed by the President of the Government against Law 7/83 of April 18, 1983 of the Parliament of Catalonia on linguistic standardization (OSG Aug. 4, 1983).

13. Sentence published in the Official State Gazette of August 18, 1983 on Organic Law harmonizing the

CURRENT LEGISLATION IN SPAIN

Autonomous process, in connection with the previous appeals on constitutional grounds filed by the Government and the Basque Parliament and by Executive Council and the Parliament of Catalonia (OSG Aug. 18, 1983).

It should be pointed out that the Sentence declare the unconstitutionality of this Law insofar as its characteristic of "organic" and "harmonizing" is concerned, eliminating thereof 14 articles out of the 38 which the Law comprises, by considering them in contradiction with Articles 148 (Competence of the Autonomous Communities), 149 (Competencies of the State) and 150.3 (Harmonizing Laws) of the Constitution.

For purposes of understanding, we quote: "The State may enact laws establishing the necessary principles to harmonize the norm dispositions of the Autonomous Communities, even in those subject matters under their competence, when the general interest so demands."

It should also be pointed out, in this instance, that the principal argument used by the nationalists as a base to uphold the unconstitutionality of the LOAPA, consists mainly in the fact that said law allowed for the harmonizing of the dispositions of the Autono-

mous Communities before they existed, when, realistically speaking, such harmonizing should only be possible after the beginning of legislative production.

CRIMINAL LAW

1. Office of the Head of State. Organic Law 8/83 of June 25, 1983, amending the Criminal Code (OSG June 27, 1983). The extent of these amendments is substantial. Some can be considered as improvements in the drafting of the Code; and some as incorporating into the legal text certain principles that had already been consecrated by the decisions of the Courts and by the legal authors:

Article 1 of the new Code provides that criminal liability requires the concurrence of criminal fraud or fault.

An important new element in the Code consists of creating criminal liability on the part of a member of the Board of Directors or high-level executive or managing body, and on the voluntary or legal representative of a company, even though the conditions, qualities or relations required for the existence of a specific crime do not concur in such person, but in the company

itself. This definition of a criminal liability on the part of such person must be interpreted in conjunction with Article 1 which requires the concurrence of criminal fraud or fault.

Capital punishment, which has been suppressed since the enactment of the Spanish Constitution of 1978, is eliminated as a penalty from the Code. For those crimes where the value of the material damagess or assets determine the severity of the penalties, the economic limits are increased to reflect the current social and monetary realities in Spain.

The protection under the Code for libel, defamation or threats are punished, in a larger number of situations, in accordance with the Constitutional mandate. For the same reason, crimes against religious freedom are amended to include not only the Catholic religion but any other religion as well.

The right to unionize and to strike is also protected by penalizing actions against such freedom.

Finally, as is customary in a criminal law, the law provides for its retroactive effects when the amendments favor the accused person or the person who has already been condemned but has not yet completed his jail term or paid the corresponding fine. □

NEWS FROM IBERIA AIRLINES

Iberia and Tusker Trail Co. Offer Safari Package Tour to Kenya

Iberia Airlines, in cooperation with the Born Free Safari division of Tusker Trail Company, offers a two or three week campaign safari package to Kenya, allowing travelers to experience the beauty of camping out in the "real" Africa without joining a rigorous expedition. Visits to the Samburu Game Reserve, Meru Game Park and the Masi Mara are some of the stops along "The Kenya Trail." Prices begin at \$870 plus airfare.

Included in the new camping package are professional trail guides, all camp meals, a professional cook throughout the trip, all game park entrance fees, all camping fees, and two nights in a Nairobi hotel. Also, each safari member will receive a one year membership in the East African Wildlife Society, which is dedicated to preserving Africa's wild animals.

For more information on this and other camping

safari packages, contact Tusker Trail Co. at (800) 372-3274 or Iberia Reservations at (212) 793-3300 (outside New York call (800) 221-9741).

Iberia and Travel-Go-Round Offer Cruise Tour of Egypt and the Nile

Iberia Airlines, in conjunction with Travel-Go-Round, is offering as one of its tour programs an 11-day Cruise Tour to Egypt. The exclusive itinerary features visits to the Egyptian Museum of Antiquities, the Coptic Church, Cairo's Botanical Garden, the Necropolis of Thebes, and much more. The price, including round-trip transatlantic airfare via Iberia, is \$1690.

Also included in the package price are all domestic flights, rooms with private bath in deluxe hotels in Madrid and Cairo, outside room and use of all facilities aboard the cruise ship, continental breakfast daily at hotels, all meals aboard ship, sightseeing tours, airport/hotel/pier transfers, taxes and tips. For more information contact Travel-Go-Round at (212) 840-7585 or Iberia Reservations at (800) 221-9741, or in New York (212) 793-3300.

Foreign Investments in Real Estate in Spain

Limitations on the investment. The acquisition of real estate by foreigners is subject to limitations mainly for reasons of national defense and by reference to the surface area to be acquired.

Residents and non-residents. Foreign individuals resident in Spain are regarded as "non-residents" in relation to the wealth which they had outside Spain at the time of taking up residence and in respect of the income derived therefrom. Investments made by bringing into Spain such wealth will be afforded the same treatment applicable to non-residents.

Investments made by branches of foreign companies with branch equity are considered "resident" investments.

Types of real estate investment. There are two types of real estate investments:

a) Those which represent a business activity of the foreign investor. For non-resident foreign individuals, it is presumed that a business activity exists when foreign currency is brought in and invested in:

- i - The acquisition of farm land.
- ii - The acquisition of building plots.
- iii - The acquisition of more than three apartments in the same building.

In the case of "non-resident" foreign legal entities, the acquisition of both farm and urban land is always deemed to be for business purposes under the foreign investment legislation.

b) Those which do not represent a business activity of the foreign investor.

No business activity exists when "non-resident" foreign individuals purchase villas, chalets, and, in general, places of abode for individual or family use.

Authorized the liberalized transactions.

a) The investor requires prior authorization for investments deemed to constitute a business activity. However, such investments are liberalized providing that:

- i - The value of the real estate does not exceed Ptas. 25 million. We understand that this is by reference to the true value and not merely as established by the parties.
- ii - The investment is made with foreign currency.
- iii - The investment project is submitted for review by the exchange control authorities.

b) Real estate investments which are made with internal pesetas (pesetas interiores) are liberalized but conditional upon certain requirements (the opening of a bank account, that it is urban land, etc.).

c) Prior authorization is also required for purchases of farm land when the surface area exceeds 4 Ha. of irrigated land

or 20 Ha. of non-irrigated land.

Prior authorization is also required for investments in smaller areas if, together with other farm land held by the foreigner, the limits referred to are exceeded.

The inscription in the Property Register is obligatory; without it, the acquisition is void, in these cases.

d) The following purchases are liberalized:

1. The acquisition of villas, chalets, and, in general, places of abode for individual or family use.
2. The purchase of building plots of a surface area not in excess of 5,000 square meters, when acquired for the construction of a place of abode for the use of the foreign investor.
3. The purchase of building plots for the construction of apartments in joint ownership (comunidad de propietarios), providing that the non-resident foreigners do not possess more than three apartments in the building or exceed 50% of the value of the building plots or the building itself.
4. The purchase of up to three premises for commercial use, providing the sum of the surface areas does not exceed 200 square meters and that the purchaser does not use them for carrying out his own business or professional activities.
5. The purchase of annexes to places of abode and garage parking space, even though these are independent.

Transferability. Investments which require prior and individual authorization have the right to repatriation of the investment, limited to the amount stated in the authorization.

Investments made with internal pesetas (pesetas interiores) do not have the right to repatriation.

Investments which are liberalized have the right to repatriation of income, capital, and capital gains.

a) Repatriation of rentals. These may be repatriated providing that the real estate has been totally paid and that tax requirements have been met.

b) Repatriation of proceeds on disposal. The total amount of the true value may be repatriated, providing that the operation is not regarded as speculative.

On the sale and acquisition of real estate between non-residents with payment taking place abroad, the acquiring party has the right to repatriate on a subsequent disposal only up to the amount of foreign currency provided on the original acquisition.

Requirements: Real Estate investments by foreigners require:

- a) A bank certificate attesting to the foreign currency brought into Spain.
- b) Formalization in a public deed.
- c) Inscription in the Property Register.
- d) Inscription in the Foreign Investments Registry.

Rentals: Travel Discovery of the '80s?

You can save a bundle on your vacation in Spain if you are willing to do a little advance planning.

By CHARLES OCHELTREE

What will the great new travel discovery of the decade of the '80s be for Americans? Where Spain is concerned, that discovery may well be of rentals in government regulated tourist apartments.

Spain has some 70,000 such regulated apartments scattered throughout the country, most of which have been catering to the European market for years.

Little by little, though, and with much credit going to the adventuresome senior citizens who have pioneered, at least in this country, a surge of interest in apartment rentals, the American traveller has become more informed and more receptive to this accommodations alternative.

It's easy to see why this swell of interest has grown. First, the notion that apartments can only be rented for long periods beyond the scope of the average vacation time is slowly being dispelled. Indeed, most apartment establishments rent regularly on a weekly basis, well within the vacation time frame of the average American.

Secondly, of course, is the cost factor. Apartments are substantially less expensive than hotels. It's common, even in fashionable resorts like the Costa del Sol, to find one bedroom apartments in \$10 per night range. And, for families, who under normal circumstances might be forced to reserve two and possibly even three hotel rooms in order to accommodate the whole brood, a two or three



Rental apartment buildings at Fuengirola, on the Costa del Sol.

bedroom apartment can run as little as \$25 per night.

Add to that the savings that can be made by using the apartment's kitchen—even if only for the preparation of breakfast—and its refrigerator for drinks, and the financial benefits become more appealing by the minute.

The Spanish government rates regulated tourist apartments by keys, from four (deluxe) to one (standard). Regardless of category, each property must provide electricity, gas, water, bed linen, utensils, dishes, glasses, flatware and trash collection. Moreover, in virtually all, maid service is provided with the rental and generally consists of cleaning, fresh bed linen weekly, and daily changes of towels. In many, reception desks are operated which function much like hotel concierge service, supplying information and selling local tours. Some will even change travellers checks or dollars into

Spanish pesetas.

Sound too good to be true? Yes, there is a catch. You can't necessarily just pick up the phone and make a reservation with an apartment owner. Nor can you necessarily walk in the front door and ask for a two bedroom layout. For the savings and convenience involved in a tourist apartment, you must invest slightly more time in preparation and investigation than is necessary with a hotel.

The Spanish Secretariat General for Tourism produces a book entitled "Guia de Apartamentos Turisticos," which is updated yearly. It is not available for sale in the U.S., but the Spanish National Tourist Offices in the U.S. have copies for reference purposes; if you will inquire in writing about specific cities or towns, the tourist office will supply you with a list of the apartments in the area.

Once you have determined which apartments suit your needs, write directly to the establishment outlining the number of bedrooms and dates in which you are interested for occupancy, requesting also a contract and asking what is the acceptable form of payment. Be sure to allow sufficient time for all the correspondence to be processed. If you plan to travel during the most peak season—July and August—it is advisable to contact several establishments at the same time so that at least one of your choices may have availability.

Here in the U.S., several Spanish tour operators presently package programs using regulated apartments as opposed to hotels. And a F.I.T. (Fully Independent Tour) basis, some will contract specific apartments if available. For further information on pre-packaged programs of F.I.T.s, contact: Marsans International, 500 Fifth Ave., New York, N.Y. 10110 (212-730-0424); Melia Tours, 1501 Broadway, New York, N.Y. 10036 (212-719-3600); Viajes Ecuador, 18 E. 48 St., New York, N.Y. 10022 (212-758-5757).

News in Brief . . .

Two New Chamber Directors Elected

Ramón de Sarriera, Executive Vice President, Banco de Bilbao, has been elected a Director of the Chamber for three years, filling the unexpired term of José María Carballo, also of Banco de Bilbao, who is now with the bank's London office.



Ramón de Sarriera

John E. Codina, President of John E. Codina Co., was also elected a Director, filling an unexpired term of two years. Mr. Codina is a "Founding Father" of the Chamber.



John E. Codina

Jove Appoints Chairmen of Chamber Committees

Chamber President Ricardo Jove has appointed the following as Chairmen of the various Chamber committees for the coming year. Chamber members who are interested in serving on a committee, or who have suggestions, are urged to contact the appropriate committee chairman.

Market Studies Committee: Mr. John Ogilvie
General Trade Committee: Mr. Joseph Caragol
Legal Matters Committee: Mr. Joel T. Camche
Budget Committee: Mr. David Askren
Dinner Dance Committee: Mr. José Peces Perezagua
Membership Committee: Mr. José Luis San Pío
Speakers Committee: Mr. Frederick E. Tetzeli
Investments in Spain Committee:
Mr. Raymond E. C. Surguy

D'Alessandro to Head First New York Office of S.A.I.M.A., Inc.

S.A.I.M.A., Inc., a member of the S.A.I.M.A. International Group of Freight Forwarders, has opened its first office in New York City. The office will be directed by Andrew W. D'Alessandro, Executive Vice President of Marketing Sales. Mr. D'Alessandro is First Vice President of the Chamber.

The founding principle member of the group is S.A.I.M.A., S.p.A. of Milan (the initials stand for "Società per Azioni Innocente Mangili Adriatica"), which was established in 1816 as a freight forwarder. Today S.A.I.M.A. is a major worldwide forwarder, handling any and all types of traffic, from local truck freight to international TIR traffic to LCL, FLC,

ocean freight, air traffic, rail, and now an international air courier service.

S.A.I.M.A., S.p.A. has 43 offices in Italy alone, as well as offices in Hong Kong, Singapore, Nigeria, Venezuela, Colombia, Switzerland, and France; it has over 1500 employees.

Andrew W. D'Alessandro has 32 years in the ocean transportation industry with American Export Lines and Farrell Lines, in various management capacities. His last position was as General Manager, Marketing Sales, with Farrell Lines. He resides in Valley Stream with his wife Marie and two daughters.

Banco de Bilbao and First National of Chicago to Provide Fixed Rate Financing for Importers from Spain

Banco de Bilbao and the First National Bank of Chicago have concluded an agreement to provide fixed rate peseta financing for U.S. importers of qualifying Spanish capital goods and services. This facility offers below-market-rate peseta financing for repayment periods of 3 to 5 years beginning 6 months after the shipment date. Repayments are in approximately equal semiannual installments.

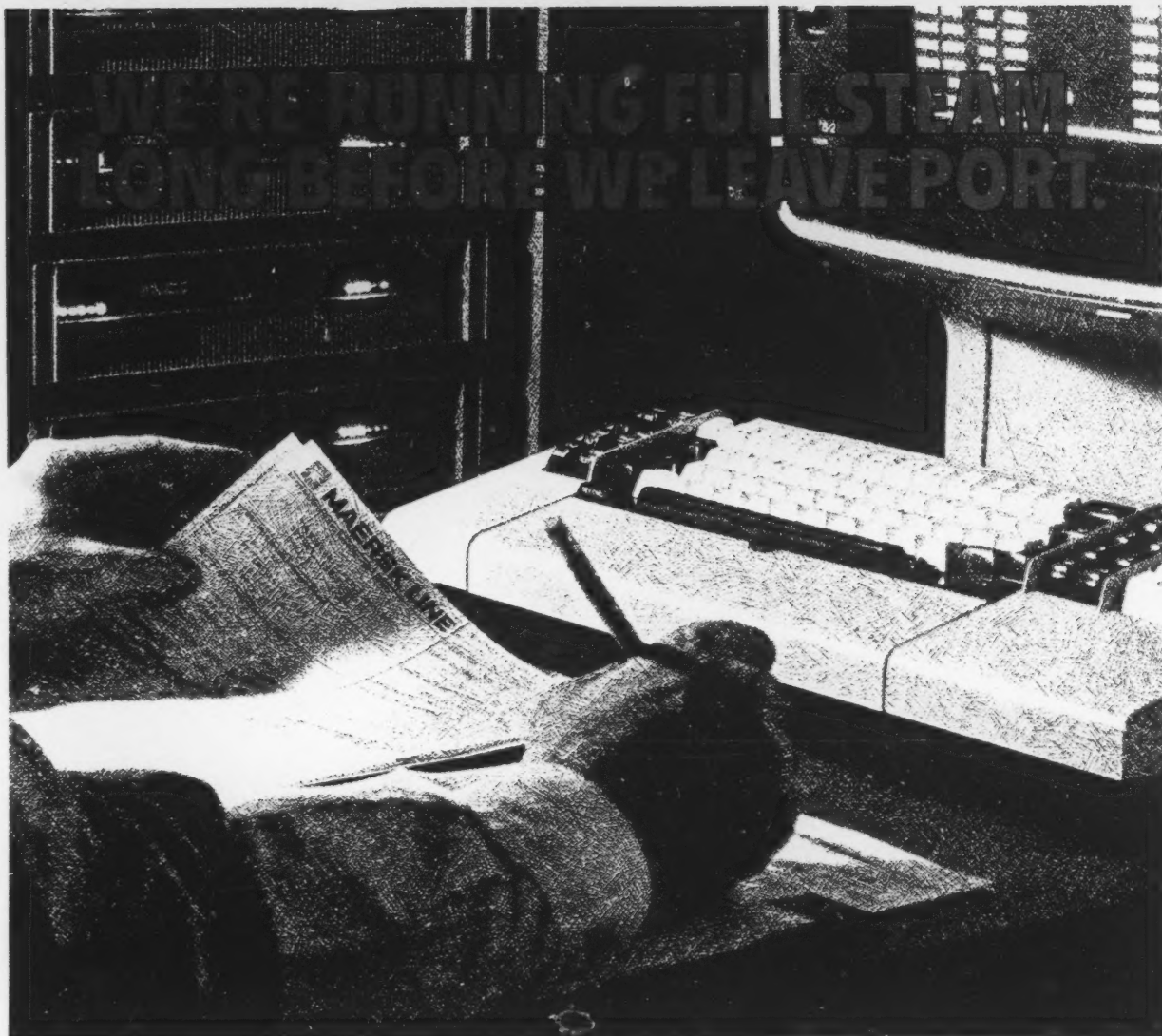
The First Chicago-Banco de Bilbao line is available to qualified First Chicago customers and prospects for transactions over \$750,000 in value. The facility is one of several available to U.S. importers to support the purchase of selected products from major exporting nations.

For information please contact Mr. Martin R. Brill, Trade Finance Officer, First National Bank of Chicago, One First National Plaza, Chicago, IL 60670; tel. (312) 732-0514; or Ms. Ana Maria Cartier, Vice President, First Chicago International San Francisco, 555 California Street, Suite 3800, San Francisco, CA 94104; tel. (415) 788-5810, Ext. 160.

Tourist Office Fall and Winter Ad Campaigns in Full Swing

The Spanish National Tourist Office's advertising campaign for the 1983 fall and winter seasons is now in full swing. The million dollar-plus campaign, with the tagline "Spain: It's All Europe in a Single Country," is appearing in national magazines including *Signature*, *Travel/Holiday*, *Travel & Leisure*, *Gourmet*, *Connoisseur*, *Town and Country*, *Vogue* and *50 Plus*, in addition to the Sunday travel sections of major market newspapers such as the *New York Times*, *Boston Globe* and *Chicago Tribune*.

The current campaign will be closely followed by the 1984 winter and spring campaign beginning in late January.



You're looking at Maersk Line's computerized documentation system. It's as fast and dependable as our modern, fully containerized vessels. And considering today's soaring interest rates, the sooner you can get your paperwork, the better.

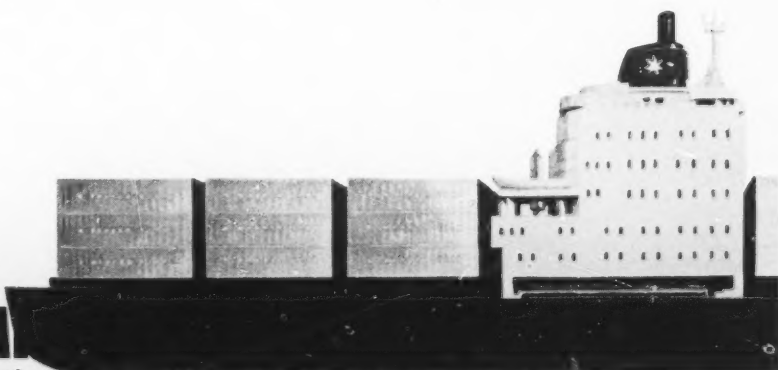
Fast, accurate documentation. Thanks to the power of advanced technology

backed by efficient, attentive service. An advantage like this can make a significant difference in your overall shipping costs. A difference that makes choosing Maersk Line a sound decision.



MAERSK LINE

**MAERSK LINE.
MORE ECONOMY**



Moller Steamship Company, One World Trade Center, Suite 3527, New York, NY 10048—(212) 432-8200

Business Opportunities

Spanish Products Offered

Videotapes recorded with soccer games:

Sr. D. Gerardo Touria Mariño
Director
EUROAPUESTA
Calle de Alcalá, 42 - 5º
Madrid-14

Lamps:

Sr. D. Tomás Llorens Gozalbo
Llorens International & Co.
Gobernador, 55
Castellón

Cleaning goods, hems, linen:

Sr. D. J. M. Soriano
c/ Ruiz de Alda, 52
Apartado 35
Callosa de Segura (Alicante)

Shotguns for hunting game:

ESCACENA
Avda. Donostiarra, 5, 1º-2º
Madrid-27

Fine jewelry:

Jesús Yanes, S.A.
International Division
Goay, 27, 1º
Madrid-1

Wallpaper, fancy and plain:

Sr. D. Claude Guiard
Director Exportación
SARRIO
Cia. Papelera de Leiza, S.A.
Travesera de las Cortes,
308-310
Barcelona-29

Perfume, toiletries:

Sra. D. Cristina Borondo
Kel-Dik International, S.A.
García de Paredes, 76
Madrid-3

Ladies', men's, children's, and babies' apparel:

Sr. D. Bjorn Bronnum
c/ Barcelona 50 - 6º D
La Coruña-10

Food products, especially olive oil:

Sr. D. Enrique Campos Medina
Director de Exportación
INCOA
Cia. Internacional de Comercio de Andalucía, S.A.
Ronda de los Tejares, 32
Of. 254
Córdoba-1

Plastic containers:

NAVAPLEX, S.A.
c/ Capelamendi, s/n
(Z.I. Betoño)
Apartado 146
Vitoria

Special designs:

Sr. D. José Luis Menéndez
SIDESA
Zoitá 11, bajo izquierda
Gijón

Candles:

Sr. D. Miguel Quero
DIEGO ZAMORA, S.A.
Apartado 121
Cartagena (Murcia)

Hoses for industrial use; garden hose; hoses for watering by sprinklers & sections:

Sr. D. Antonio José Boluda
Sánchez, Director
PERMA, S.A.
Polígono Industrial 30,
parcela 124
Apartado de Correos 161
Denia (Alicante)

Electronic, sound and electroacoustics:

Sr. D. Joan Roig I Carbó
OPTIMUS, S.A.
Avenida de Roma, 8º
Barcelona-15

Sherry wines:

Cuvillo y C.
Apartado 63
Puerto de Santa María
(Cádiz)

Spanish wines:

Sr. D. V. Vidal
Kodiak Corporation, S.A.
Moratin, 14 - 4º A
Valencia

Buttons:

MACKOSMOL, S.A.
Calle Progreso, 468
(Esquina calle San Lucas)
Badalona (Barcelona)

Ladies' and children's blouses:

LINOTEX, S.A.
Catedrático Mercer, 10
Algemesi (Valencia)

Phosphoric acid and natural plasters:

Sra. D. Ascensión Bocharán
García
Carretera Ciudad Real a
Valdepeñas, Km. 11
Pozuelo de Calatrava
(Ciudad Real)

Reproductions of classic or contemporary paintings:

Sr. D. Jorge Santojo
Dtor. Ventas Internacionales
Apartado Postal 94
Cocentaina (Alicante)

Raw materials for the pharmaceutical industry:

Alfabet Internacional, S.A.
c/ Santa Eugenia, 18, 1º 1º
Gerona

Slippers and gauntlets with double authentic fax:

Sr. D. Sergio Gadea
MUNDEXPORT
Calle Sagunto, 115, prt. 20
Valencia-9

Lamps and decorative goods:

GESTIMEX, S.A.
Rda. Sant Pere, 11 - 1º 1º
Barcelona-10

Porcelain goods:

Porcelanas Mestre, S.A.
c/ Pizarro, 25
Manises (Valencia)

Building materials (cement, machinery for the construction industry):

Tecnosistems Prensoland, S.A.
Calle Industria, 5-15
San Martín de Centellas
(Barcelona)

Fittings and valves:

Sr. D. Albert Degá
Hispano Europea de Griferías,
S.A.

P.O. Box 143
Sant Feliu de Logregat
(Barcelona)

Ladies' dresses, suits, blouses and skirts; unisex jackets; men's and children's swim wear:

Sr. D. Ricardo Gil Lápex de
Guereñu
c/ José Luis Aznar
Zavala, 4 - 2º
Bilbao-1

Laces, embroidery for homes; fishing nets:

José Luis Antón
Gerente General
TEXTIFER, S.L.
Alta del Puerto, s/n
El Ferrol del Caudillo
(La Coruña)

Children's wear, custom made:

S.K. Products, S.A.
Balmes, 310
Barcelona-6

General handicraft items:

Sra. D. Ana María Alcalde
AUXITRONICA, S.A.
Genova, 5 - 4º
Madrid-4

Handicrafts in wood:

SERRA QUINTANA
Tortellá (Gerona)

Luxury ceramic handicrafts:

Jordi Mañas i Fernández
c/ Torrent d'en Vidales, 34
2º, 2º
Barcelona-12

Manufacturer and distributors of handbags, leather articles:

InColsa, S.A.
Polígono Industrial Arroyo-
molinos, 1
Calle D. No. 8
Móstoles (Madrid)

Seeks representative for extintores:

Sr. D. Pedro Marín Cano, Dir.
PRODINTER
Pz. Mtro. M. Susarte, 5
(Bda. Santiago el Mayor)
Murcia

Authentic leather labels for jeans and jackets:

GOCOEX
Pujadas, 338
Barcelona-19

Plastic footwear:

Sr. D. A. Inchauspe
HOBEKY, S.A.
Carretera Zaragoza, Km. 2,7
Cordovilla (Navarra)

Children's apparel:

Sr. D. J. Beltrán
NICO's
Apartado Postal 90190
Barcelona

Handbags, bags of reptile skin, leather, calfskins:

Reig y Cabrera, S.L.
"REYCA"

Calle la Paz N° 2
Denia (Alicante)

Industrial waxes:

Sr. D. Emilio Fernández
Paraceras Europa, S.A.
Apartado de Correos 1181
Sevilla

Offers representation in the field of hydraulic elements:

Sr. D. Beltrán Gómez-Alba
c/ Jacinto Benavente, 18
Barcelona-17

Offers services as trade representative:

Sr. D. Ismael Rico Vicente
c/ Sevilla, 69
Alicante-13

Seeks representative for footwear:

Distribuidora del Sureste, S.L.
Emilio Hernández Selva 85-AC
Elche (Alicante)

Seeks representative for hats:

JAMIR, S.L.
Apartado de Correos, 9
Avenida A
Alicante

Studies of legal and economic information:

ESINJE, S.A.
Paseo de la Castellana 89, 11º
Madrid-16

Electrocompressing groups:

Leiger Internacional, S.A.
Calabria, 177-179
Barcelona-15

Fine articles for office; gifts:

Sr. D. J. M. Ventura
NEW VENTURES
Apartado 23.233
Barcelona-28

Offers services as buying agent:

Sra. D. María Isabel Humet
Climent
Consejero Delegado
Amparo de Molina, S.A.
Abadesa Olzat, 30
Barcelona, 34
Wines and brands:
Bodegas Sánchez de Alva,
S.A.
Jerez de la Frontera (Cádiz)

SPANISH LAWYER

OFFERS THE FOLLOWING SERVICES:

Sales agent for general merchandise, middleman in acquisitions and mergers, foreign investments in Spain, import-export, advisor, commercial reports, etc. Speaks Spanish, English and French.

Please contact: Sr. D. Jesús Sambeat Sanz; Bravo Murillo, 187 - 1º, G; Madrid-20.

Oportunidades Comerciales

Productos españoles solicitados

Cuero para la fabricación de muebles:

Mr. Kenneth R. Adams
VIO & C
21 West Street
New York, N.Y. 10006

Aparatos e instrumentos de precisión; artículos e instrumentos para dentistas; productos alimenticios; maquinaria y materiales de construcción, etc.:

Mr. Edwin N. Tanaka
Emporium Trade Corp.
214 South Gardfield Avenue,
Suite 5
Monterey, CA 91754

Lazos, cintas, puntillas:

J. L. Walsch, Inc.
1246 23rd Avenue
San Francisco, CA 94122

Gautes, bolsas y demás accesorios para golf:

The Turner Sales Co.
3910 Oak Hurst Circle
Fair Oaks, CA 95628

Pilas de cocina; lavabos:

Sunrise Specialty
2210 San Pablo Avenue
Berkeley, CA 94703

Mosquetones, herrajes y accesorios para embarcaciones:

Transworld Business, Inc.
1511 Clement St.
San Francisco, CA 94118

Calzado:

Kevin Company
340 Lorton Ave., Suite 202
Burlingame, CA 94010

Damasquinados; muñecos y artículos de fieltro y peluche:

Pilar G. Francis
1109 Casual Way
San José, CA 95120

Conservas de tomate y champiñón:

GIC America Inc.
601 Montgomery St.
Suite 2021
San Francisco, CA 94111

Extrusión de aluminio:

PFI
139 G. Street 27
Davis, CA 95161

Productos agrícolas:

Scaico
6212 East Main Avenue
Box 11215
Spokane, WA 99211

Calzado de niño:

Kimberly Keltner Haynes
124 Mason Street
Santa Cruz, CA 95060

Cinturones de piel para señora y caballero:

Mr. Howard L. Bartfeld
Bartfeld Enterprises
56 West 39th Street
New York, NY 10019

Menaje de cocina, juguetes y artículos de regalo en general:

Mr. Gregory D. Kendra
Marketing Manager, USA
4847 Magoun Avenue
East Chicago, Indiana 46312

Herramientas de metal duro (hileras):

Mr. M. Gornstein, President
Atco Products, Inc.
189-195 Frelinghuysen Ave.
Newark, NJ 07114

Muebles para el hogar:

Mrs. Dan Seickley, Jr.
Route 1, PO Box 406
Harrisonburg, VA 22801

Adornos de Navidad:

Mr. Jim Mulligan
Century 21
1721 First Avenue
New York, N.Y. 10028

Conservas de fruta y verduras; productos alimenticios en general:

Mr. Joe Deblinger
47 Hillside Avenue
Manhasset, N.Y. 11039

Perlas Majorica:

Mrs. Ann Leff
1160 Third Avenue, Apt. 10F
New York, N.Y. 10021

Sandalias para caballero:

Mr. Ben Ames
25 Central Park West
New York, N.Y. 10023

Muebles para el hogar; confección; calzado y bolsos de señora; artículos de regalo, etc.:

Ms. Sheila M. Kennedy
245 East 35 St.
New York, NY 10016

Tuberías de acero negro:

Mr. Sameh I. Eid
Columbia Trading Co.
P.O. Box 2526
Cherry Hill, NJ 08034

Tejidos para vestidos y blusas; hilados de lana, seda y algodón; hilados y torcidos de algodón y sus mezclas; hilados para zurcir y para labores en general; hilos metálicos; etc.:

Mr. Andrew R. Kreinik,
President
Roger Medoc Company
P.O. Box 06880
Westport, CT 06880

Churreras:

Ms. Diann Hasseman
7 Pheasant Drive
Coopersburg, PA 18036

Artículos de regalo y joyas:

Mr. C. A. Lewis, President
C.A. Lewis Eclectic Enterprises
P.O. Box 2557
Plainfield, NJ 07060

Equipos y provisiones de oficina; artículos de regalo en general:

Mr. Marcel R. Badart,
President
Atlantic Trading Co.
P.O. Box 53377
Philadelphia, PA 19105

Resinas para la industria del plástico; productos químicos en general:

Mr. Arturo M. Oltolenghi
1062 Canyonview
Sagamore Hills, OH 44067

Maquinaria para hacer calcetines y medias:

Mr. Elejandro Cruces
6412 Park Avenue
West New York, NJ 07093

Mosaicos y baldosas para pisos:

Ms. Vera Hanthorne
15 West Wood Street
Morristown, PA 19401

Platos para tapas:

Ms. Polly Guggenheim
66 Foster Street
Cambridge, MA 02138

Zumo de manzana concentrado:

Mr. J. Esposito
Export Manager
E. L. Scott & Co., Inc.
One World Trade Center,
Suite 2347
New York, N.Y. 10048

Cemento:

Mr. Melvin B. Denend
Consolidated Export Corp.
175-20 Hillside Avenue
Jamaica, NY 11432

Computadoras y productos electrónicos:

Mr. José A. Calvo
American International Market
Corporation
P.O. Box 70238
Washington, D.C. 20008

Vehículos para pasajeros acorazados; vehículos militares acorazados; módulos antibalas; artículos de ferretería y metalistería en general:

Mr. Stephen W. Rux
International Marketing
Safeguard Security
Division of Tecto
4728 Goldfield
San Antonio, Texas 78118

Artículos religiosos y postales bordadas:

Mr. D. West
522 East 5th Street, Apt. 8
New York, NY 10009

Artículos religiosos en general:

Ms. Yolanda A. Roznowski
Ecclesiastical Arts Dept.
Fourtress Church Supply
2900 Queen Lane
Philadelphia, PA 19129

Figuras artísticas:

Ms. Mary F. Mudd
Nostalgic Games & Things
Village Mall
Orange Park, FL 32073

Barcos de vela de juguete:

Mr. Max Rehns
Marlon Creations, Inc.
35-01 36th Avenue
Long Island City, NY 11106

Navajas de todo tipo:

Mr. Earl E. Curtis
EEM Specialties
823 Phillips Street
Jacksonville, FL 32207

Confección y calzado infantil:

Ms. Alice Montero
c/o Korea Exchange Bank
460 Park Avenue
New York, N.Y. 10022

Abanicos, mantillas, capazos, jarrones, alpargatas, platos decorativos, vajillas (cristalería y porcelana), muebles de mimbre, damasquinados, figuritas de todo tipo, artículos de regalo en general, lencería, antigüedades (millonillos etc.):

Mr. Koldo Beristain
61 Fenwood Drive
Old Saybrook, CT 06475

Soportes de latón (brass coils):

Mr. Jerome Greenfield
Stylebuild Accessories
99-02 Roosevelt Avenue
Corona, NY 11368

Corchos para vino:

Mr. Bill Davis, President
ERC Northwest
P.O. Box 1006
Central Station
Yakima, WA 98907

Emblemas y artículos religiosos (vestimentas y hábitos):

Ms. Carol Cruise
New York Church Supply Inc.
412 North Wood Avenue
Linden, NJ 07036

Cemento, yeso, granito y mármol:

Mr. David M. Wall
Transmar Imports, Inc.
2915 Forests Hills Drive
Ames, Iowa 50010

MANUFACTURER AND DISTRIBUTOR OF HANDBAGS AND LEATHER ARTICLES

with a sales volume of 100.000.000 pesetas per year and a staff of 25 seeks a partner and/or a company to cooperate in this area, with a possible technological and marketing integration, increasing production and new sales markets. This could be by association in a merger company, sales of shares and a financial support.

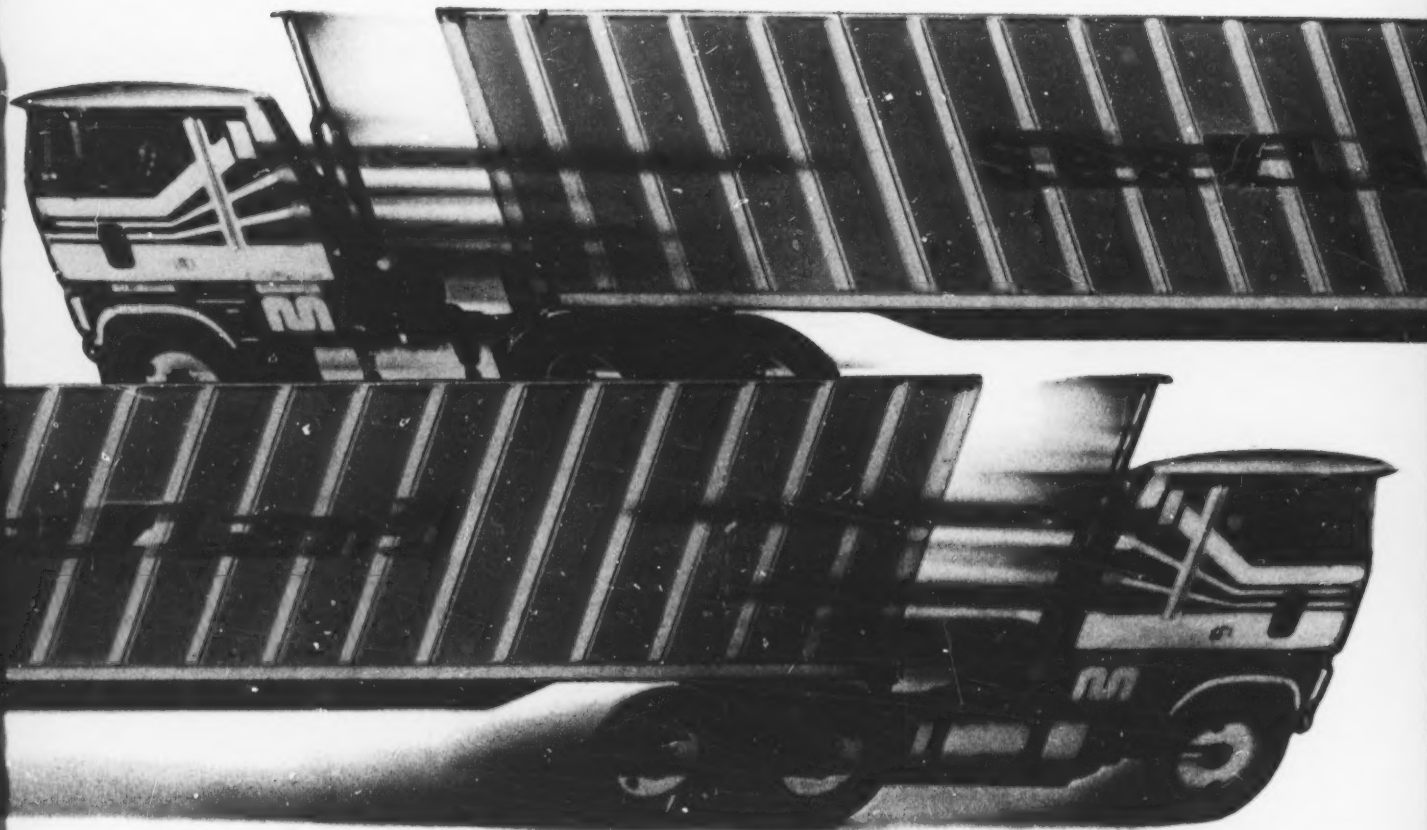
Please contact: INCOLSA, S.A.; Polígono Industrial Arroyamolino; 1 Calle d nº 8; Móstoles (Madrid).

Spain's Exports to the U.S., Jan.-July 1983

In this tabulation, using statistics from the U.S. Department of Commerce, the first column gives Spain's exports to the United States from January 1st to July 31st, 1983, in thousands of dollars. The second column gives the percentage of variation from 1982. Column 3 indicates the percentage of the total represented by the group.

	1	2	3		1	2	3
FOOD PRODUCTS	94,008	-16.7	11.49				
1. Fish and seafood, except preserved	2,849	-72.7		38. Nonferrous metals	7,822	+42.2	
2. Fish and seafood, preserved	6,324	-2.8		39. Wire, without electrical insulation	7,772	-26.4	
3. Marmalades and preserved fruits	9,646	+32.9		40. Screws, nails, rivets etc. of iron, steel or copper	5,872	-25.0	
4. Vegetables, preserved or prepared, including olives	57,337	-16.4		41. Hand tools	14,650	+179.5	
5. Sweets with a sugar base which do not contain cocoa	4,265	-1.3		42. Household utensils of common metals	6,707	+93.1	
6. Paprika	4,688	+49.4		43. Metal manufactures, unspecified	7,052	-1.7	
7. Food preparations, unspecified	1,694	+2.5		MACHINERY AND TRANSPORTATION EQUIPMENT	127,291	-25.9	15.5
BEVERAGES AND TOBACCO	36,699	+18.9	4.48	44. Generators, non-electric, and parts	2,945	-3.8	
8. Table wines and Sherry	27,940	+33.5		45. Agricultural machinery and parts	1,012	-79.8	
9. Sangria	3,883	-21.9		46. Office machinery and parts	29,800	-39.6	
10. Brandies and similar	4,357	+7.2		47. Metalworking machinery	7,881	-49.1	
11. Processed tobacco	48	-88.6		48. Textile and leather machinery	3,496	+104.0	
12. Unprocessed tobacco, residues	369	-0.3		49. Industrial machinery	1,691	-32.1	
RAW MATERIALS, INEDIBLE EXCEPT PETROLEUM AND OTHER VEGETABLE PRODUCTS	15,038	+16.4	1.84	50. Machinery and apparatus, unspecified, and parts	9,710	-19.7	
13. Fluorspar	1,400	-48.2		51. Electrical generators, commutators, and parts	3,840	+0.6	
14. Raw materials of animal origin	560	-39.4		52. Household electric appliances and parts	2,517	-0.4	
15. Gums, resins and natural lacquers	3,773	+26.3		53. Transportation equipment:	52,348	-20.9	
16. Flowers, bulbs, foliage etc. for decoration	444	+11.8		53a. Parts & accessories for tractors, vehicles & motors	26,755	-31.0	
17. Gypsum, plastic, chalk etc.	2,911	+278.1		53b. Motorcycles and parts	252	-43.9	
18. Other crude vegetable materials	2,396	-7.2		53c. Aircraft	13,004	+38.3	
PETROLEUM PRODUCTS AND LUBRICANTS	23,435	-7.7	2.86	53d. Supplies for aircraft and ships, unspecified	5,603	+12.0	
19. Heavy petroleum	17	—		54. Electrical machinery and apparatus, unspecified	7,633	+124.9	
20. Lubricating oils and greases, hydrocarbons	18,222	+46.6		MANUFACTURED CONSUMER PRODUCTS	224,998	10.9	27.50
OILS AND FATS, ANIMAL AND VEGETABLE	8,124	-7.1	0.99	55. Lamps and parts	3,491	+3.3	
21. Olive oil	8,049	-7.5		56. Furniture	6,669	-9.7	
CHEMICAL PRODUCTS	53,971	+23.8	6.6	57. Luggage and handbags	3,421	-6.9	
22. Organic chemical products	21,769	58.0		58. Textile manufactures	784	-47.6	
23. Inorganic chemical products	13,384	0.7		59. Leather manufactures & accessories	1,741	-16.2	
24. Essential oils and perfume materials	7,653	+24.8		60. Knitwear mfrs. and accessories	2,452	+42.1	
25. Soaps and detergents	1,052	-36.9		61. Footwear	145,445	+3.8	
MANUFACTURES AND SEMI-MANUFACTURES	220,394	-26.1	26.9	62. Printed matter	11,348	-0.3	
26. Hides, leathers & their manufactures	6,615	-31.5		63. Toys and sporting goods	7,380	+34.6	
27. Tires	20,924	+22.3		64. Arms and parts, except revolvers and pistols	1,974	-26.6	
28. Manufactures of wood and cork	3,120	+9.9		65. Objects of art and antiques	13,933	+61.9	
29. Articles of paper and cardboard	3,761	+8.8		66. Jewelry and costume jewelry	7,509	+66.2	
30. Thread and yarn	2,344	-0.6		67. Other manufactures, unspecified	1,849	-26.1	
31. Bedclothes, table linen, towels etc.	2,426	+138.1		OTHER PRODUCTS, UNCLASSIFIED	14,280	-19.4	1.75
32. Woolen fabrics	487	-32.8		68. Special transactions, unclassified	12,326	+7.7	
33. Lime, cement and other construction materials, except tiles	14,839	+171.3		69. Arms of war, including revolvers, pistols and ammunition	1,017	-73.6	
34. Tiles	8,335	+40.3		70. Estimated value of imports in lots valued at less than \$251	929	-2.3	
35. Articles of crystal and glass	3,965	+54.8		TOTAL EXPORTS, SPAIN-U.S.	818,241	-11.8	
36. Pottery articles	7,866	-20.1					
37. Iron and steel in bars, sheets etc.	85,372	-55.4					

Sea-Land. Fast in, Fast out.



When your drivers or truckers get tied up at a congested terminal, it can cost you time and money.

Here's how you can get around those expensive tie-ups: Ship via Sea-Land®

Nearly all Sea-Land terminals are exclusive—used for Sea-Land customers only. That's why you get in and out fast.

And the Sea-Land people handling your cargo are experienced professionals who help you get in and out even faster.

If you don't like being kept waiting, ship via Sea-Land. Call your Sea-Land representative today.

SeaLand

What we did for shipping, we're doing for service.

Grand Class



How to relax as you fly.

This new symbol stands for the Grand Class of Iberia, International Airlines of Spain.

Everything in Grand Class is designed so that you will discover the ultimate pleasure of flying.

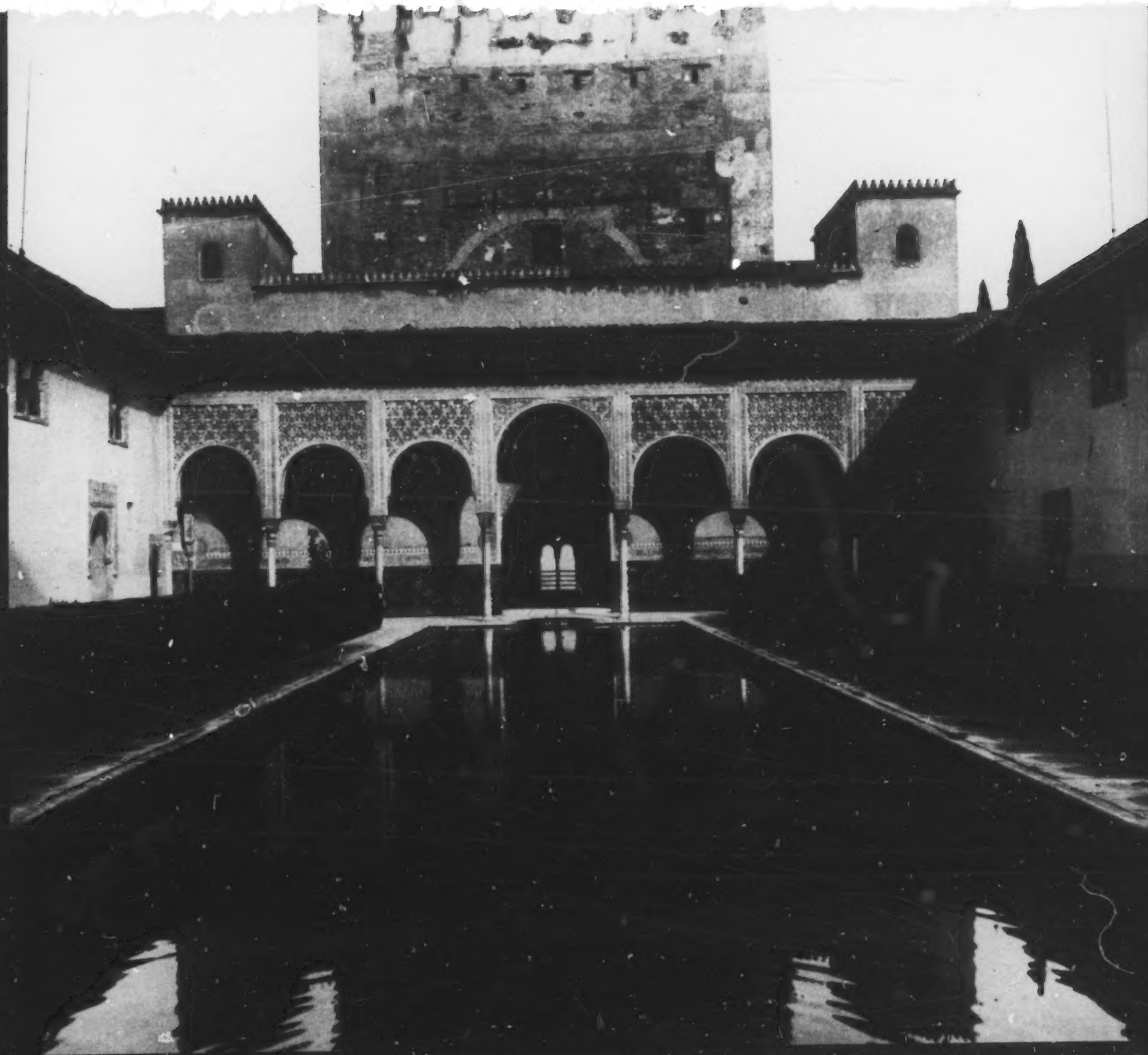
You'll enjoy superb service at all times. You will choose from gourmet menus and vintage wines, served in porcelain and crystal. You will be welcomed with a little gift and, at some airports, cared for in VIP lounges.

In Grand Class you ease into Iberia's new sleeper-seat, so spacious and comfortable that when you recline, it feels like a bed. So you fly in comfort and arrive totally relaxed.

For the ultimate in comfort, service and relaxation, fly Iberia's Grand Class.

IBERIA 
INTERNATIONAL AIRLINES OF SPAIN

The Spanish challenge.



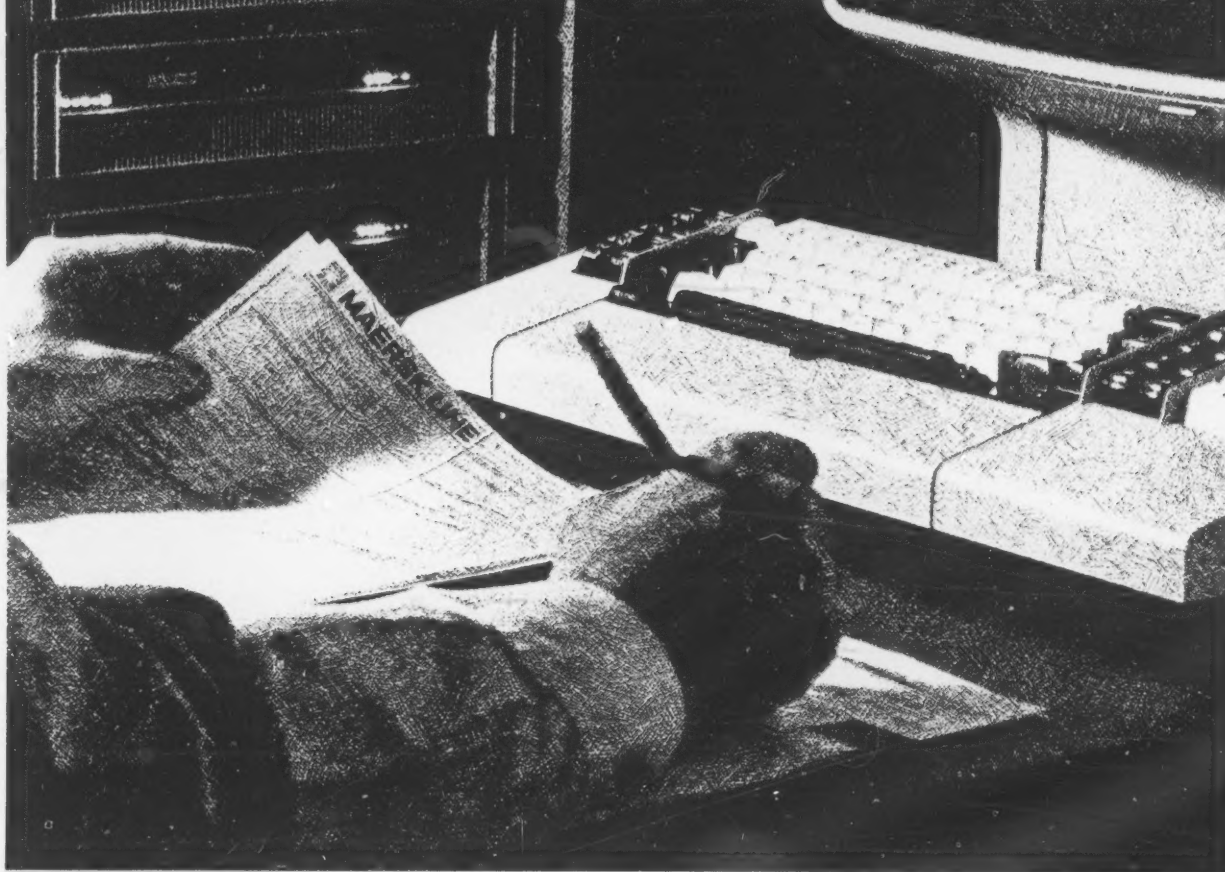
S U.S. *Spain*

OFFICIAL PUBLICATION OF THE SPAIN US CHAMBER OF COMMERCE

NOVEMBER-DECEMBER, 1983

No. 131

WE'RE RUNNING FULL STEAM LONG BEFORE WE LEAVE PORT.



You're looking at Maersk Line's computerized documentation system. It's as fast and dependable as our modern, fully containerized vessels. And considering today's soaring interest rates, the sooner you can get your paperwork, the better.

Fast, accurate documentation. Thanks to the power of advanced technology

backed by efficient, attentive service. An advantage like this can make a significant difference in your overall shipping costs. A difference that makes choosing Maersk Line a sound decision.



MAERSK LINE

MAERSK LINE. MORE ECONOMY



Moller Steamship Company, One World Trade Center, Suite 3527, New York, NY 10048—(212) 432-8200

President
RICARDO JOVE
Amtraco Commodity Corporation

First Vice President
ANDREW D'ALESSANDRO
S.A.I.M.A., Inc.

Second Vice President
DAVID ASKREN
Chemical Bank

Treasurer
LUIS BONEL
Majorica Jewelry, Ltd.

Corporation Secretary
JOSE LUIS SAN PIO
J. & A. Garrigues

Honorary President
GABRIEL MANUECO
Ambassador of Spain, Washington, D.C.

Honorary Chairman
JOHN DAVIS LODGE
Former U.S. Ambassador to Spain

Honorary Vice President
FERNANDO R. PORRERO
Consul General of Spain in New York

Honorary Director
RAFAEL AGUILAR
Commercial Counselor of Spain, New York

Executive Director
MARIANO BAGUENA

Directors:
JOSE AMEIJIDE
José Ameijide, Inc.
FREDERICK ARCH
Spanish Book Corporation of America

HAROLD BARG
Schenley Affiliated Brands Corp.

LUIS BENITEZ DE LUGO
Banco de Santander

FRANCIS BESSENEY
J. Henry Schroder Bank & Trust Co.

S. ROBERT BREITBARTH
General Cable International, Inc.

WILLIAM BURNS
Costa Line Cargo Services, Inc.

JOEL T. CAMCHE
Halinan & Camche

JOSEPH A. CARAGOL
Joseph Caragol, Inc.

JOHN E. CODINA
John E. Codina & Co.

ALFONSO GONZALEZ ESCALERA
Compañía Transatlántica Española

EDWARD G. HAYEK
Trans World Airlines Inc.

SAM LAREDO
Santillana Publishing Company

MANOEL A. LIMA
Avon Products, Inc.

CARLOS MENENDEZ
Irving Trust Company

JOHN A. OGILVIE
Ogilvie Taylor & Associates

PEDRO ORTIZ VALERO
Interchange Commercial Corp.

JOSE PECES PEREZAGUA
Banco Español de Crédito

FELIPE PROPPER DE CALLEJON
Wertheim & Company

VICENTE PUIG JR.
Vicente Puig & Co.

GEORGE H. P. ROBINS
Banco Urquijo, S.A.

CARLOS ROS
Banca Catalana

RAMON DE SARRIERA
Banco de Bilbao

RAYMOND E. C. SURGUY
Banco de Vizcaya

FREDERICK E. TETZELI
Morgan Guaranty Trust Co. of New York

Honorary Delegates in Spain

JESUS DE AZCARRETA
Palmer Import-Export, S.A.
Estébanez Calderón, 3 - 2º
Madrid-20
Tel: 270-45-34
Telex: 45589 PALM

JOSE MARIA CUCURELLA
Capsulas Metálicas, S.A.
Valencia, 101
Barcelona-11

Spain - U.S. Trade Bulletin

Spain-U.S. Chamber of Commerce, Inc. CAMARA DE COMERCIO ESPAÑOLA EN LOS ESTADOS UNIDOS

500 FIFTH AVENUE, NEW YORK, N.Y. 10110 • (212) 354-7848
TELEX 960915 SPAIN US NYK • CABLE ADDRESS: CAMACOE5

NOVEMBER-DECEMBER, 1983

No. 131

NEWS AND FEATURES:

- 3 **Catalonia Today: Its Political and Economic Significance**, by H.E. Jordi Pujol, President of the Generalitat of Catalonia.
- 7 **Nota sobre el comercio entre España y los Estados Unidos durante el primer semestre de 1983**, por Antonio Llanos, Consejero Comercial de España.
- 12 **Member Profile: Maersk Line.**
- 15 **La Nacionalidad Española**, por Juan José Santos y José L. San Pio.
- 19 **Taxation of Non-Resident Foreigners in Spain**, prepared by Allende & Brea.
- 22 **Member Profile: Olarra Rioja Wines.**
- 24 **Current Legislation in Spain**, prepared by J. & A. Garrigues, New York Office.
- 30 **Immigration Considerations in Employing Aliens in the United States**, prepared by Keck, Mahin & Cate.
- 32 **Spain's Unique Artespaña Stores**, by Charles Ocheltree, National Tourist Office of Spain.
- 33 **Spain's Most Visited Site**, by Charles Ocheltree, National Tourist Office of Spain.

DEPARTMENTS:

37. Spain's Exports to the U.S., Jan.-Aug. 1983 vs. 1982.
38. Spanish Products Offered.
39. Productos españoles solicitados.

Executive Editor
Mariano Baguena

Editor:
David O. Thomas

COVER: Spain's most visited site? You might guess the Prado, but actually it's the Alhambra in Granada, which receives over one million paying visitors per year. See story on page 33.

Published bi-monthly, copyright 1967, as a service to its members, by the Spain-U.S. Chamber of Commerce, Inc., a non-profit organization, 500 Fifth Avenue, New York, N.Y. 10110. Telephone (212) 354-7848. Subscription rates: \$25.00 per year, U.S. and Canada, 2500 pesetas per year, Spain. Single copies \$5.00 each. Printed in the U.S.A.

Let us solve your problems

Banco de Vizcaya speaks the language of your business.

INTERNATIONAL BANKING DIVISION:

Paseo de la Castellana, 110 - Madrid-6
Tel.: 411 2062 - Telex 22571-42382
Swift: VIZCFSMM

INTERNATIONAL BRANCH NETWORK:

New York Branch

400, Park Avenue, N.Y. 10022
Tel. (212) 826 - 1540
Telex: 66199
Swift: VIZC US 33

San Francisco Agency

650 California Street
San Francisco, California 94108
Tel. (415) 392 - 2530
Telex: 67534

Miami Agency

One Biscayne Tower, 38 th. Floor
2 South Biscayne Boulevard
Miami: Florida 33131
Tel. 305-358-9882
Telex: 441540

Nassau Branch

C/O Roywest Banking Corp. Ltd.
P.O. Box 4889 - BAHAMAS

London Branch

58-60 Moorgate
London EC2R 6BN
Tel. 1-920-0121
Telex: 893461/2

Paris Branch

15, Avenue Maignon, 75008 - Paris
Tel. (1) 359 55 09
Telex: 64 14 23/5

Amsterdam Branch

Herengracht 479
1001 JC Amsterdam
Tel. (020) 26 30 33
Telex: 13582 - 16288

Bahrain O.B.U.

Kanoo Tower (Phase III)
4th floor - Tujjard Rd.
Manama - State of Bahrain
Tels. 25 32 61 - 25 33 40
Telex: 9060 Bancay

REPRESENTATIVE OFFICES

Argentina

Avda. Corrientes, 311
Oficina, 101
Buenos Aires 1043
Tels. (541) 361 20 65 - 361 21 15
Telex: 17739

Brazil

Rua do Carmo, 11
Andar, 19
Rio de Janeiro-RJ
Tels. (5521) Area Code 2427076-
2428606
Telex: 2132591

Chile

Paseo de Ahumada, 254-3.^a
Oficina, 31. Santiago de Chile
Tel. (562) Area Code 726641
Telex: 40329 Baviz

México

Avda. Juárez, 4
Mexico, 1 D.F.
Tel. (525) 585 00 30
Telex: 1777460

Venezuela

Avda. Francisco Miranda -
Edificio Torre Europa
Oficinas 7 y 8 - Caracas
Tels. (582) 33 43 53 - 33 25 08
Telex: 23532

Germany

Friedensstrasse, 11
6000 Frankfurt/Main, 1
Tel. (611) 23 32 91
Telex: 413215

Japan

Yurakucho Denki Bldg. 652
7-1, 1 Chome - Yurakucho
Chiyoda-ku
Tokyo 100
Tel. (03) 287-0791
Telex: J 29472

Hong-Kong

2,114 Connaught Center
Central Hong-Kong
Tel. 5 - 21 63 49
Telex: 62898

Italy

Via Alberico Albricci, 9
1.^a Interno D Scala A
Milan 20122
Tel. 875 525 - 867 661



Banco de Vizcaya

Gran Vía, 1 - Bilbao - Spain. Tel: (94) 416 64 00 Telex: 32040

Catalonia Today: Its Political and Economic Significance

"We Catalans are the first ones to defend the idea of an integrated Spanish market, and we are firm believers in the development of private initiative," the President of the Generalitat told a Chamber luncheon in his honor at the Pierre Hotel on November 3rd. "We wish to be a full partner in a common effort towards a more balanced and satisfactory world economy."

IT IS A GREAT PLEASURE for me to be here today and to address such a distinguished audience. As President of the Autonomous Government of Catalonia, I am also extremely honored to be able to continue and strengthen the long-standing relations that we Catalans have had, and continue to maintain, with the United States. I am, therefore, extremely grateful to the Spain-U.S. Chamber of Commerce, whose prestige and influence are well known and deserved, for having given me this opportunity to offer you some personal comments.

THE POLITICAL TRANSITION: ALMOST OVER

Let me start by presenting some thoughts on the present Spanish situation. The first remark that deserves to be made in this context is that our political transition to a full-fledged democratic system is practically over. As everyone knows, this type of process is not easy, especially when it has to be carried out in the midst of an economic crisis like the one experienced everywhere in the seventies. But we have been able to accomplish our goal of establishing a democratic system with the least possible turmoil, a feat which is already being considered as one of the most remarkable political events of the post-World War II period. Besides political differences in Spain, we all share an unrelenting allegiance to democracy, which has become the backbone of our political life.

I think I should emphasize this point. No other country has been able to move from a dictatorship to democracy so swiftly and at such a low cost in terms of human life and economic wealth. Countries like Germany, Italy, Greece, Portugal and Japan have also been able to go through a similar process during the last 35 years. In each one of these countries, however, the change meant either an economic break or a war or social disaster.

Despite the presence of terrorism in the North, Spain attained her democratic objective at a much lower cost. So much lower that many observers like to refer to it as a model or prototype for export—if



Jordi Pujol (right) with Spain's Ambassador to the United Nations, Jaime de Pinies at the November 3rd luncheon, as they enjoy the wine served at the luncheon, a Torres wine from Catalonia.

this were at all possible. A people who have been able to carry out a peaceful and successful change deserve to be trusted politically and economically.

The importance of the most recent developments has not been confined to the institutional life of the country—it has permeated all the manifestations of our activity, and among them the economy deserves to be mentioned. As you know, Spain had a quick rate of growth in the sixties and early seventies, which was very adversely affected by the international economic crisis of the seventies. The acceleration of the pace of technological obsolescence, the eruption of the Third World countries in the industrialized markets, and the steep rise of oil prices precipitated Spain into a deep economic crisis.

The Catalan industrial sector shares most of the problems of the old industrial regions of Europe: the need for further specialization, for higher technological content of our industrial products, and for more customer-oriented programs. These adjustments can only be successfully carried out in a much wider and integrated context, and this means opening up decisively the Spanish economy.

The need to adapt the Spanish economic structure to the new situation of the seventies forced Spain to a lower rate of growth, which has proved to be insufficient, given our resources, the country's past experiences, and our present and future needs.

SPAIN POISED FOR ECONOMIC GROWTH

I think, however, that now there are good reasons to believe that Spain is poised to resume an era of substantial economic growth. And there are several reasons to support this belief. Let me mention some of them.

First, Spain is a country which combines, to a degree matched by few others, the manpower, the entrepreneurial capacity and the infrastructure of a fairly developed economy with all the investment opportunities afforded by both the spectacular changes of the seventies and the needs created by the slowdown of investment in the second half of the seventies and the early eighties.

The direction of economy policy is another important element which deserves to be mentioned when focusing on the future growth of the Spanish economy. As you very well know, the policy stances followed by the different countries have proven to be the most important single element for surmounting the present economic crisis. And you also know that the most successful economic policies have been a determined fight against inflation and the outward-looking approach to the balance of payments constraints.

In Spain we are trying to follow both courses of action. Obviously we try to do this with the lowest possible social cost.

It is our deepest conviction that no economy can progress on a sound basis without having offset the negative effects of inflation and the imbalances associated with it. I can assure you that the present effort to stunt the inflationary pressures of the economy is a high priority in Spain, and it is a promising sign that all walks of Spanish society are giving their support to this endeavor, including the trade unions.

I am also convinced that the present efforts to turn the Spanish economy into a fully open one will be successful. One of the basic elements for a lasting recovery in the present circumstances is the ability of an economy to insert itself successfully into the new technological and commercial trends that have become the characteristic of our time. We in Catalonia share the Central Government's aim of getting the Spanish economy increasingly interwoven with that of the rest of the world. This means increased trade, larger inflows of capital and an important inflow of technology. The Spanish economy will, without any doubt, progress in the direction of a more



Mr. Pujol (right) with Ramon Vilaró of the Spanish newspaper El País.

open one, and we shall become more and more an integral part of the Western economic system. The political transition has absorbed a great deal of our energy into building a democratic system. Once this has been achieved, and I think it has, we can look

"We find ourselves in the middle of a far-reaching process of restructurization of the industrial sector and, more generally, the whole Catalan economy"

forward to the unfolding of a Spanish economic layout fully integrated with the rest of the world.

The Spanish Government has proclaimed this goal, and we, Catalans, historically the most outward-oriented part of Spain, fully share it and are determined to become the most active participants in this effort. We think we can, and we are prepared for it.

Let me now turn my attention to Catalonia, the autonomous region of Spain of which I have the honor to be the President and whose contributions to the political and economic stability and progress of Spain are of such great importance.

When referring to Catalonia, we are talking of a country of 32,000 square kilometers or over 12,000 square miles, which is an area roughly equivalent to that of the states of Connecticut and Massachusetts combined.

In European terms, Catalonia is, for example, slightly larger than Belgium. With six million inhabitants, it is a densely populated area in a proportion similar to other industrialized areas of Europe such as the north of Italy, but less than the overcrowded region of the Netherlands and the United Kingdom. In other words, we have reached the level of human



Dr. Fernando Aleu (at podium) introduces his fellow Catalan, Jordi Pujol (left), at the luncheon in Mr. Pujol's honor. At right is Chamber Vice President David Askren, who presided.

concentration that makes economic activity profitable, and at the same time we still have room for expansion.

Catalonia is not only the country of famous artists such as Miró, Tapiès, Sert, Dalí, Montserrat Caballé, Josep Carreras, Alicia de la Rocha, and the late Pau Casals, of all of whom we are very proud. It is also the most industrialized part of Spain.

Catalonia is also the tenth industrial area in European ranking. The Barcelona-Bilbao highway links the Mediterranean—where Barcelona plays a significant maritime role—with the Atlantic. In general, communications with the economic and industrial centers of Europe are very good.

With 6% of the territory and 15% of the population in Spain, Catalonia produces more than 25% of the Spanish industrial output. Practically all industrial sectors are represented in the Catalan productive system. Some, such as paper, printing, leather and textiles, have a long history; others are more modern. But all the sectors, old and new, share the industrial tradition and creativity of one of the oldest industrial areas of Europe.

In the last 25 years, the industrial profile of Catalonia has changed considerably. The textile sector, long our strongest, is no longer in first place. Today, metal-processing (from tractors to electronic components) accounts for more than a quarter of industrial gross added value; the chemical industry comes in second place with 14%; and textiles are third with 10%.

Like other pioneers in the industrialization race, we find ourselves in the middle of a far-reaching process of restructurization of the industrial sector and, more generally, the whole Catalan economy. As painful as it may be for some of the participants, we consider this process not only as an unavoidable transforma-

tion but also, and positively, as a fresh opportunity to create new and efficient firms.

In Catalonia we consider that this restructuring effort is a cooperative one, in which foreign financing and technology are essential and welcome ingredients. For these reasons, we are establishing close links with public and private institutions which, in some advanced countries like Germany and the United States, have experience with the most efficient way to promote innovation policies and technological change. I can now disclose our firm intention to set up with the backing of the Generalitat and the collaboration of the interested parties, a center to design and push forward innovation policies geared to the specific requirements of the Catalan industrial sector.

Nevertheless, we are fully aware that in the present world we have neither the capacity nor the ability to go it alone, and we wish therefore to be a full partner in a common effort towards a more balanced and satisfactory world economy.

What can Catalonia offer to this partnership? I think it can offer several important assets. Let me point out some of what I consider the most important ones.

Let me refer first to Catalonia's geostrategical location. We are the natural springboard to the vast European markets from Spain and from the Mediterranean area. Once we are members of the European Common Market, this characteristic will be greatly enhanced. Highways connect Catalonia with France, and through her with the rest of Europe. Three major ports and two international airports link Catalonia with the rest of the world. For extra-continental countries such as the United States and Japan, Catalonia can be the gateway to the large and unified European market. This is already understood by many firms, especially Japanese ones, which are at present investing heavily in Catalonia. Eighty percent of the major European markets are within a range of 800 miles from Catalonia. With some future insight, one might even see Catalonia as the service and industrial nucleus of a vast region encompassing Southern France and Northern Spain.

But it is not only geography that counts. Catalonia also has an important pool of skilled workers and entrepreneurial capacity. Our agricultural and services sectors are also well developed and offer excellent opportunities for investment. The development of tourism has also been especially important—more than 9,000,000 visitors every year.

Vocationally, the Catalan economy has been an open one. A quarter of Spanish exports originate in Catalonia. Our exports range from cement and cars to processed food and tanned hides and a wide array

H.E. JORDI PUJOL

of capital goods. The United States ranks, among Catalonia's trade partners, after France, Italy, Germany and the United Kingdom. The commercial relations between the United States and Catalonia have traditionally been very intense and close.

There is a long tradition of U.S. firms cooperating in Catalonia. Significantly, the U.S. Chamber of Commerce in Spain, founded in 1917, is the largest chapter outside the United States, and its headquarters is located not in Madrid but in Catalonia, as are more than half of its 2300 member firms.

As I said at the outset, Catalonia is a fertile land for artistic and imaginative skills. May I add that this can also make an important contribution to the economic activities launched in and from Catalonia. We are very proud, for instance, of our schools of design for textiles, jewelry, cosmetics, furniture, etc.

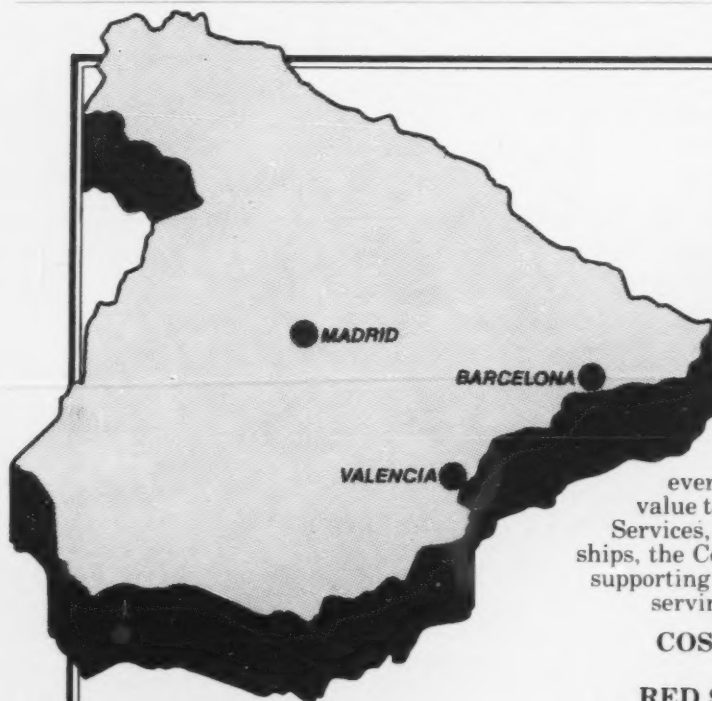
You are all fully aware of the political devolution process which is taking place in Spain. It has permitted Catalonia to regain its self-government in a wide range of fields. As seen from the United States, I would say that the Spanish devolution process combines cultural and political diversity with a fully integrated market. No matter how many differences of views you may detect in Spanish political life, you can be sure that nobody believes in a seg-

mented Spanish market. And we Catalans are the first ones to defend the idea of an integrated Spanish market, and we are also firm believers in the development of private initiative and the principles of the market economy.

Catalonia treasures its recently gained self-government, won back after a dark, very dark, period of oppression of our historical personality, of our own language—the Catalan, of our own culture, of our own traditional political institutions.

But we do not want to turn this newly acquired freedom into a license for the enjoyment of privileges or self attitudes of any other kind. On the contrary, we want to offer, through our Catalan Government, the highest possible degree of exemplary service to Spain as a whole. We want to establish the necessary framework in which social, economic and political life can all prosper and fully develop.

We consider all of you our friends and welcome partners in this effort. □



COSTA EQUALS ESPAÑA

Spain is a land whose influence once covered most of the world and whose people, ambitious, resourceful, creative and talented still contribute everyday something of esthetic and material value to most of us. We too, at Costa Line Cargo Services, long ago assigned our big multi-purpose ships, the Costacarriers, their crews, our agents and supporting services to the primary responsibility of serving the needs of your people and industry.

**COSTA LINE Between Atlantic & Gulf
Ports and the Mediterranean**
**RED SEA NAVIGATION LINE Between
Atlantic & Gulf Ports and the Red Sea.**



COSTA LINE CARGO SERVICES, INC.

26 Broadway, New York, N.Y. 10004 (212) 480-8282 Offices in Major Port Cities

Nota sobre el comercio entre España y los Estados Unidos durante el primer semestre de 1983

LA EVOLUCION GENERAL de los intercambios comerciales entre España y los Estados Unidos durante el primer semestre de 1983, en comparación con períodos similares de años anteriores, queda reflejada en el cuadro N° 1 (datos en millones de dólares).

El hecho más significativo que puede deducirse de este cuadro es la desaceleración que se ha producido en el comercio entre ambos países, ya que:

- 1) Las importaciones españolas procedentes de los Estados Unidos han registrado un descenso del 24,1% al alcanzar solamente 1.797.000 dólares.
- 2) Las exportaciones españolas a los Estados Unidos, por su parte, muestran un descenso del 10,6%. La cifra de 1983, 576.000.000 dólares, se encuentra al mismo nivel que la del año 1978.

En el cuadro número 2, según datos de la Dirección General de Aduanas, se recogen, en miles de millones de pesetas, tanto el valor de las importaciones como de las exportaciones desde 1978, ritmos de incremento de las mismas, saldo de la balanza comercial, índice de cobertura y porcentaje de la importación y exportación sobre las importaciones y exportaciones totales españolas.

En primer lugar se debe señalar que los resultados en pesetas reflejan, como es lógico, el comportamiento de la peseta respecto al dólar. Así,

- 1) Las importaciones disminuyen solamente un 1,9% (frente al 24,1% si se miden en dólares);
- 2) Las exportaciones aumentan un 17%, ritmo inferior al de años anteriores, pero todavía positivo comparado con el 10,6% de disminución cuando se expresan en dólares.
- 3) El déficit comercial disminuye y el índice de cobertura mejora pasando del 27% en 1982 al 32,3% en 1983, aunque sigue muy por debajo de la tasa de cobertura del comercio español.
- 4) En conjunto el comercio español con los Estados Unidos pierde importancia dentro del contexto del comercio global español. La participación de la exportación a los Estados Unidos en la exportación española total ha caído al 5,9% (en 1978 era del 9,3%). Al mismo tiempo, la importación procedente de los Estados Unidos alcanza el 11,6% de la importación total, el porcentaje más bajo de los últimos años.

IMPORTACIONES

Los cuadros números 3 y 5 recogen la evolución de la importación española procedente de los Estados Unidos durante los últimos años.

En el cuadro número 3 se han incluido los diez primeros capítulos de la importación española. Estos diez capítulos suponen el 83% de la importación total

CUADRO N° 1

	enero/ junio 1978	enero/ junio 1979	enero/ junio 1980	enero/ junio 1981	enero/ junio 1982	enero/ junio 1983	% de variación 1983-1982
Importaciones españolas (CIF)	1216	1518	2389	2154	2369	1797	-24,1
Exportaciones españolas (FOB)	578	628	542	574	644	576	-10,6

CUADRO N° 2

COMERCIO ESPAÑA-ESTADOS UNIDOS

(Valor en miles de millones de pesetas. Dirección General de Aduanas)

Años	Importaciones españolas (CIF)	Exportaciones españolas (CIF)	Saldo	% Aumento de las impor- taciones (s/ el año ant.)	% Aumento de las expor- taciones (s/ el año ant.)	Índice de cobertura en que procede con U.S.A.	% de importa- ción española que procede de U.S.A.	% de exporta- ción española que se dirige a U.S.A.
E-J '78	98.0	46.5	-51.5	19.1	38.0	47.4	13.4	9.3
E-J '79	103.2	42.7	-60.5	4.4	-8.2	41.4	13.5	7.2
E-J '80	165.3	37.5	-127.8	61.6	-12.2	22.7	14.2	5.3
E-J '81	189.2	50.8	-138.4	14.5	35.5	26.8	13.2	6.1
E-J '82	246.2	66.5	-179.7	30.1	30.9	27.0	14.8	6.3
E-J '83	241.5	77.9	-163.3	-1.9	17.1	32.3	11.6	5.9

EL COMERCIO ENTRE ESPAÑA Y ESTADOS UNIDOS

procedente de los Estados Unidos y vienen creciendo a un ritmo más rápido que la importación total. Así, por ejemplo, en los últimos cuatro años han pasado de representar el 67,8% del total al 83% antes mencionada. Como puede observarse, las importaciones procedentes de los Estados Unidos están constituidas, fundamentalmente, de materias primas (agrícolas y energéticas) y bienes de equipo.

El cuadro número 3 recoge los principales renglones de la importación española procedente de los Estados Unidos en 1983, con indicación de los porcentajes de variación respecto al mismo período del año anterior. Se han incluido en el cuadro aquellos productos que, durante el período considerado, han alcanzado una cifra de nueve millones de dólares, por lo menos. En conjunto, representan el 73,8% de la im-

CUADRO N° 3 IMPORTACIONES ESPAÑOLAS DE LOS ESTADOS UNIDOS

(en millones de dólares)

	enero/ junio 1978	enero/ junio 1979	enero/ junio 1980	enero/ junio 1981	enero/ junio 1982	enero/ junio 1983	% de variación 1983/1978
Semillas	231.0	281.3	421.7	350.5	387.5	346.2	49.9
Maquinaria mecánica	175.1	213.5	249.3	303.7	294.0	276.5	57.9
Combustibles minerales	33.0	57.3	80.0	242.4	277.8	242.8	635.8
Cereales	199.9	190.6	406.7	308.9	453.8	219.5	9.8
Instrumentos de medida, médicos, etc.	50.4	49.5	67.2	82.6	85.8	95.0	88.5
Tabaco	64.7	39.9	81.2	93.2	99.4	91.3	41.1
Maquinaria eléctrica	41.6	51.0	85.2	83.2	82.1	83.4	100.5
Productos químicos orgánicos	52.2	71.1	97.4	82.5	99.6	76.8	47.1
Productos diversos de las industrias químicas	29.0	22.8	36.2	29.8	36.3	30.5	5.2
Productos siderúrgicos	23.7	86.6	96.0	46.2	76.4	29.1	22.8
A) Total parcial	900.6	1063.6	1620.9	1623.0	1892.7	1491.1	65.6
B) Total importaciones	1216.0	1518.3	2389.5	2153.6	23568.5	1796.9	47.8
% A/B	74.1	70.1	67.8	75.4	79.9	83.0	

CUADRO N° 4 EXPORTACIONES ESPAÑOLAS A LOS ESTADOS UNIDOS

(en millones de dólares)

F.O.B.

Cap.	Producto	enero/ junio 1978	enero/ junio 1979	enero/ junio 1980	enero/ junio 1981	enero/ junio 1982	enero/ junio 1983	% de variación 1983/1978
64	Calzado	130.7	150.2	85.9	84.8	113.8	115.0	-12.0
73	Productos siderúrgicos	118.9	91.6	105.1	125.7	113.6	75.8	-36.2
20	Preparados de legumbres	53.8	50.1	51.3	49.0	57.9	52.1	-3.2
84	Maquinaria	26.4	43.6	46.4	56.2	85.4	45.7	+73.1
27	Combustibles minerales	9.7	8.5	44.4	24.7	0.6	23.1	+138.1
29	Prod. químicos orgánicos	5.6	6.2	9.5	6.2	15.0	20.9	273.2
88	Navegación aérea	3.9	2.5	18.2	19.8	15.7	19.9	410.3
22	Bebidas alcohólicas	18.1	15.4	19.4	17.1	20.8	19.3	+6.6
40	Manufacturas de caucho	32.3	42.7	24.6	25.6	18.6	18.1	-44.0
25	Cemento	10.0	6.9	6.2	4.3	5.8	14.1	+41.0
69	Productos cerámicos	4.7	6.0	6.9	9.3	10.8	9.4	+100.0
67	Vehículos	11.6	18.5	12.2	12.9	13.5	9.3	-19.8
49	Artes gráficas	8.1	8.4	6.4	6.5	8.7	8.56	+6.2
32	Extractos curtientes y tint.	4.4	7.0	4.0	7.7	8.8	8.3	+88.6
82	Herramientas, cuchillería, cubiertos de metales comunes	4.7	6.9	4.7	3.8	5.89	6.7	+42.6
A)	Total parcial	442.9	464.5	445.2	453.6	514.8	446.3	+0.8
B)	Total exportación	577.6	627.6	541.8	573.5	644.4	575.6	-0.3
	% A/B	76.7	74.0	82.2	79.1	79.9	77.5	

portación total.

Entre los productos que muestran descensos destacan los registrados por los principales productos de la importación, tales como **habas y tortas de soja** (-8,5%), **maíz** (-36,9%), **hullas** (-44,4%) y **tabaco**, tanto en rama (-4%) como elaborado (-34,1%). También son significativos los datos relativos a **aviones**

y sus partes (-82,7%) que han pasado de 200.200.000 dólares en 1980 a 21.300.000 en 1983 y a la **chatarra** (-84,2%) con 9.200.000 dólares en 1983 frente a los 80.400.000 dólares de 1980.

En el capítulo de los incrementos destaca el rápido crecimiento de los **aceites de petróleo** (+83,3°), que en cuatro años han pasado de 8.000.000 dólares a

CUADRO N° 5

PRINCIPALES RENGLONES DE LA IMPORTACION ESPAÑOLA DE LOS ESTADOS UNIDOS

(millones de dólares CIF)

Producto	enero/ junio 1980	enero/ junio 1981	enero/ junio 1982	enero/ junio 1983	% de variación 1983/1982
12.01.46)					
23.04.40)					
10.05.92					
27.01					
84.53)					
84.55.96)					
24.01					
27.10					
27.14					
90.28					
85.15					
84.08					
84.23					
88.02)					
88.03)					
90.17					
84.59					
29.35					
85.21					
84.61					
38.14					
47.01					
85.19					
90.29					
43.01					
29.44					
55.01					
44.05.40					
38.19					
27.07					
73.03					
85.01					
24.02					
84.11					
A) Total	1.513.7	1.551.6	1.641.7	1.326.5	-19.2
B) Total importación	2.389.5	2.153.6	2.368.5	1.796.9	-24.1
C) % A/B	63.3	72.0	69.3	73.8	

EL COMERCIO ENTRE ESPAÑA Y ESTADOS UNIDOS

75.900.000 dólares, **betún de petróleo, coque** (=52,6%) que en el mismo período ha visto pasar sus importaciones de 14.400.000 dólares a 44.400.000, **transmisores y receptores** (=66,3%) y **partes y accesorios de aparatos para análisis físicos** (=68,7%).

EXPORTACIONES

En los cuadros números 4 y 6 se recoge la evolución de los exportaciones españolas a los Estados Unidos.

En el cuadro número 4 se han incluido los quince primeros capítulos arancelarios en la exportación española el mercado americano y su variación respec-

to al año 1978. En conjunto estos quince capítulos arancelarios representan el 77,5% de la exportación total, con 446.300.000 dólares, cifra similar a la de 1978. Si se exceptúa el capítulo 84 (maquinaria), el resto con productos de consumo, materias energéticas o productos intermedios, muy elásticos a las variaciones de la demanda y del precio por lo que se trata de una exportación poco consolidada, y por tanto, muy frágil.

El capítulo 64—**calzado**—con 115.000.000 dólares, es el primer capítulo de la exportación española, recu-

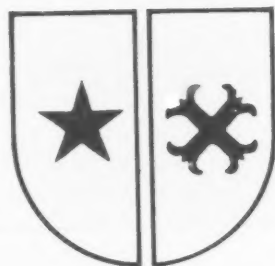
(CONTINUA EN LA PAGINA 18)

CUADRO N° 6

PRINCIPALES RENGLONES DE LA EXPORTACION ESPAÑOLA EN LOS ESTADOS UNIDOS

(millones de dólares)

Producto	enero/ junio 1980	enero/ junio 1981	enero/ junio 1982	enero/ junio 1983	variación 1982-1983
64.02 Calzado con suela de cuero natural	75.7	73.3	98.8	102.1	+ .3
20.02.60 Aceitunas	35.1	33.1	36.6	31.2	-14.8
27.10 Prod. petrolíferos	10.3	24.7	0.6	23.1	+ 3750.0
84.53.81 Equipo de proceso de datos	10.0	18.7	38.0	21.9	-42.4
88.02)					
88.03) Aviones y accesorios	18.1	19.8	15.7	19.9	+ 26.8
40.11 Neumáticos	24.0	24.5	16.3	16.1	-1.2
73.72 al)					
73.76) Aceros aleados	7.3	13.9	27.3	15.7	-42.4
22.05 Vinos de uva, mostos o apagados con alcohol incl. las Mistelas	9.7	7.9	12.1	13.5	+ 11.6
29.01 Hidrocarburos	3.7	0.1	10.4	12.3	+ 18.3
64.01 Calzado con suela y parte superior de caucho	8.5	8.7	13.2	10.5	-20.5
73.13 Chapas de hierro y acero	14.3	15.1	8.4	9.6	+ 14.3
25.23 Cementos hidráulicos	5.2	3.4	2.4	9.4	+ 291.7
87.06 Recambios vehículos	10.7	11.9	11.9	8.4	-29.4
73.10 Barras de hierro y acero	5.0	4.5	4.5	7.3	+ 62.2
20.02.98 Pimientos envasados	2.1	7.6	6.0	6.7	+ 11.7
49.01 Libros	5.5	5.5	7.1	6.2	-12.7
79.01 Zinc	12.7	15.6	0.4	6.0	+ 4900.0
15.07 Aceite de oliva	6.2	7.1	6.0	5.7	-5.0
32.07 Materias colorantes	4.1	3.9	5.3	5.2	-1.9
73.25 Cables de acero	5.1	3.8	10.2	5.1	-50.0
82.05 Útiles intercambiables p/máq. herramientas	1.0	1.2	2.5	5.1	+ 104.0
73.18 Tubos de acero	27.5	37.3	41.0	4.8	-88.3
71.12 Bisutería y joyería	3.5	3.4	4.2	4.3	+ 2.4
13.03 Jugos y extractos vegetales materias pécticas, agar agar, etc.	4.3	0.6	4.9	4.3	-12.2
73.31 Puntas, clavos, etc.	6.6	2.6	6.7	4.3	-35.8
58.02 Alfombras y tapices	0.2	0.5	0.5	4.0	+ 700.0
69.13 Estatuillas cerámicas	4.5	5.2	6.0	4.0	-33.3
A) Total	323.9	353.9	397.0	366.7	-4.8
B) Total exportación	541.8	573.5	644.4	575.6	-10.7
C) % A/B	59.8	61.7	61.6	63.7	



If you want to talk
Business
talk to
Banco Urquijo

New York Agency

One Liberty Plaza, New York, N.Y. 10006 · Tel. (212) 791-9560

Head Office - Plaza del Rey, 1, Madrid 4, Spain



'Albert Maersk,' an "A"-class ship, moves up Elizabeth Channel to berth at the large Maersk Line terminal at Port Newark.

MEMBER PROFILE:

MAERSK LINE

"Maersk Line ships are noted for their on-time service and speedy turn-around."

THEIR HULLS are painted a distinctive blue—so distinctive, in fact, that ship spotters and maritime buffs around the world refer to the color as "Maersk blue." Among the largest of the world's ocean carriers, Maersk Line operates five busy cargo liner services, two of which are operated out of the New York-New Jersey Port.

Like many other steamship lines, Maersk Line began in a rather humble fashion. It was 1904 when a Dane, Arnold P. Moller, together with his father, Captain P. M. Moller, established a steamship company known as Dampskibsselskabet Svendborg. Their first vessel was a second-hand steamer of 2,200 deadweight tons named *Svendborg*. Serving Scandinavian ports, the little one-stacker soon built up a following of satisfied shippers and new vessels were added to the roster. In 1912, the Mollers established a second steamship line which they called Dampskibsselskabet af 1912 A/S. These two companies still form the basis of today's A. P. Moller group, which has developed into an international enterprise with a large, diversified fleet of ships and other activities ranging from oil drilling and the production of plastic products to the operation of Maersk Air, a Danish domestic line.

Maersk Line's association with the Port of New York and New

Jersey goes back to 1928, the year A. P. Moller established a cargo liner service under the name of Maersk Line. This first service, which linked New York with major Far East market areas, remains one of Maersk Line's most important cargo liner services today. This service, along with Maersk Line's route between the Port of New York and New Jersey and ports in the Middle East and Mediterranean, are two good reasons why shippers closely associate the Danish carrier with the New York-New Jersey Port, which also serves as headquarters for Maersk Line's U.S. operations.

Maersk Line has assigned 14 of its most modern vessels to its two services out of New York. All the vessels are full-containerships and cellular in design. Four distinct classes of vessel are represented among the Maersk vessels operating from the bi-state port. Each class can be distinguished by the first letter in the ship's name. For example, a vessel such as *Arild Maersk* is an A-class ship. Maersk's A-class ships were built in West Germany and are 738 feet long and of 30,460 deadweight tons. Each of these vessels has a container capacity of 1,894 TEUs.

C-class vessels such as *Christian Maersk* weigh in at 24,600 deadweight tons, and each can carry up to 1,422 containers (TEUs). Built in Sweden and Norway, these con-

tainerships are 647 feet in length.

Maersk's L-class are also assigned to New York service. of 33,700 deadweight tons, ships like the 697-foot-long *Luna Maersk* accommodate as many as 2,128 containers (TEUs). These L-class vessels were constructed in Denmark.

One D-class containership, the *Dragoer Maersk* calls at the New York-New Jersey Port. Built in Japan, this 857-foot-long, 31,645-deadweight-ton ship carries 1,796 containers (TEUs).

At this writing the following vessels are assigned to Maersk Line's New York-Middle East/Mediterranean service: *Chastine Maersk*, *Arild Maersk*, *Christian Maersk*, *Albert Maersk* and *Clara Maersk*. These ships call at and depart the Maersk Line terminal at Port Newark on a bi-weekly basis, making direct calls at Jeddah and Damman in Saudi Arabia; Dubai and Abu Dhabi in the United Arab Emirates; and Bahrain. From Bahrain, cargo is moved by feeder service to Kuwait; Doha in Qatar; and to Ras-Al-Mishab and Jubail in Saudi Arabia. A second Maersk feeder service moves cargo from Dubai to Muscat, Oman; Karachi, Pakistan; and Bombay, India.

On the return voyage from the Middle East the Maersk Line containerships pick up cargo at Mediterranean ports for discharge at the New York-New Jersey Port. Ports of call in the Mediterranean include Leghorn and Genoa in Italy; Marseilles (Fos) in France; and Spain's Port of Valencia.

As noted earlier, Maersk Line first inaugurated its service between New York and the Far East in the late 1920s. Maintaining the fine record of service established by their predecessors during the highly competitive pre-World War II days, some of the finest vessels on the Scandinavian carrier's fleet list keep the cargo

moving in both directions on this long trade route. Assigned to a schedule that dictates a weekly call at the bi-state port, these vessels include *Luna Maersk*, *Anna Maersk*, *Lexa Maersk*, *Dragoer Maersk*, *Leise Maersk*, *Adrian Maersk*, *Lica Maersk*, *Leda Maersk* and *Laura Maersk*.

Departing the Danish company's massive terminal at Port Newark on a weekly schedule, these ships make the following Far East calls: Hong Kong; Singapore; Keelung, Taiwan; and Kobe and Tokyo, Japan. Maersk Line feeder service connects Hong Kong with the People's Republic of China; Pusan, South Korea; Manila, Philippines; Kaohsiung, Taiwan; and Jakarta and Surabaya, Indonesia. Another Maersk feeder carries cargo from Singapore to Bangkok, Thailand; Port Klang and Penang, Malaysia; and Belawan Deli, Indonesia.

The "Maersk blue" that quickly identifies the Danish vessels also serves to identify Maersk's highly modern 61.8-acre marine terminal at Port Newark.

Two towering 30-ton-capacity container cranes, wearing the same distinctive shade of blue, are the first sight to greet any visitor. But color is not the only similarity, for the attention to rendering fast, efficient service which is so evident in the design of Maersk Line ships is also reflected in the overall layout of the terminal, which is located on the north side of the Elizabeth Channel (berth 5).

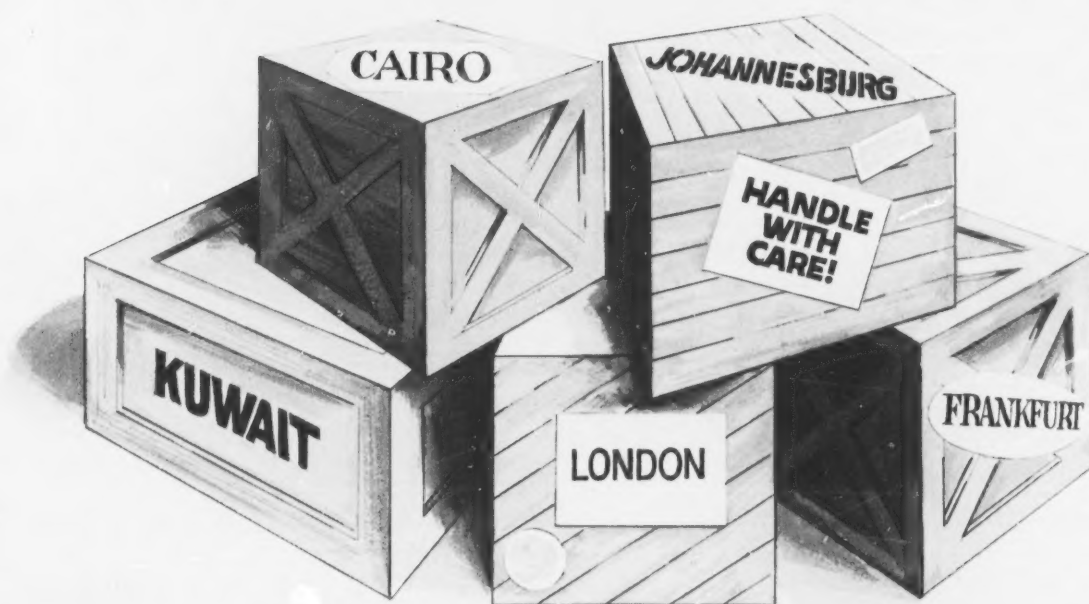
Operated by Maersk Container Co., Inc. and leased from the Port Authority, the massive facility boasts a 198,000-square-foot stuffing and stripping building. Served by a rail siding, this structure has 154 truck bays.

Enjoying the advantages afforded by this modern terminal, Maersk Line ships are noted for their on-time service and speedy turn-around. Maersk Line's proven record of service and its close association with the bi-state port are two more compelling reasons why so many shippers choose to move their cargo via the New York-New Jersey Port. □



'Lexa Maersk' typifies the "L"-class ships of Maersk Line.

If you're not sending your cargo to Spain, send it on Iberia.



We go almost everywhere. (Including Spain.)

You probably know that Iberia's #1 when you want to send cargo to Spain.

But here are some things about our cargo service that you probably don't know.

Iberia has all widebody service beyond Madrid to cities throughout Europe, Africa and the Middle East. And Iberia offers the only all freighter service three times a week between the U.S. and Spain. We also offer you more widebody

flights to Spain from New York and Miami than any other airline.

So if you're sending cargo to Spain, or just about anywhere else, why not send it on Iberia?

For more information and cargo reservations in Miami call TOLL FREE 800-327-2302. Elsewhere in Florida call 800-432-1231. JFK Cargo Office is 800-221-6002.

Iberia's Spain. It's too much for the money.

IBERIA
INTERNATIONAL AIRLINES OF SPAIN

La Nacionalidad Española

In order to satisfy the interest expressed by a number of Spanish members of the Chamber and members of the Spanish colony in New York regarding the changes introduced by Law 51/82 of July 13, 1982, which amended articles 17 through 26 of the Civil Code on nationality, we are publishing below a schematic summary of the new regulations. This summary has been prepared by Juan José Santos, Consul of Spain in New York, and José L. San Pío, President of the Legal Committee of the Association of Spanish Doctors and Lawyers (ALDEEU), to whom we express our sincere gratitude.

Para satisfacer el interés expresado por un amplio número de los miembros españoles de la Cámara y de la colonia española en Nueva York sobre los cambios introducidos por la Ley 51/82 de 13 de Julio de 1982, que modificó los artículos 17 al 26 del Código Civil español en materia de nacionalidad, publicamos a continuación un resumen esquemático de la nueva regulación. Dicho resumen ha sido elaborado por Juan José Santos, Cónsul de España en Nueva York, y José L. San Pío, Presidente del Comité Legal de la Asociación de Doctores y Licenciados Españoles en Estados Unidos (ALDEEU), a quienes agradecemos sinceramente su colaboración.

ADQUISICION DE LA NACIONALIDAD ESPAÑOLA

1. Por Origen

- 1) Padre Español (Art. 17 N° 1).
 - 2) Madre Española (Art. 17 N° 1). A partir de la entrada en vigor de la Ley 51/82.
 - 3) Nacimiento en España:
 - (1) Padres extranjeros
 - (a) si padre o madre nació en España (excepción diplomáticos o cónsules extranjeros (Art. 17 N° 2).
 - (b) si padres carecen de nacionalidad (Art. 17 N° 3).
 - (c) si la Ley de ambos padres no atribuye nacionalidad extranjera (Art. 17 N° 3).
 - (2) Filiación desconocida (Art. 17 N° 4).
 - (3) Si filiación conocida de uno de los padres, pero la nacionalidad de ésta no le es atribuida (Art. 17 N° 4).
 - 4) Menores hallados en territorio español, si no se conoce lugar de nacimiento ni filiación (Art. 17 N° 4).
 - 5) Por adopción—Si adoptado en forma plena antes de cumplir los 18 años cuando uno de los adoptantes era ya español al tiempo de nacimiento del adoptado (Art. 18, párrafo 2).
- ### 2. Por Adopción.
- Extranjero menor de 18 años adoptado en forma plena cuando uno de los adoptantes fuera español al tiempo de la adopción, pero no lo era al tiempo del nacimiento del adoptado (Art. 18, párrafo 1).
- ### 3. Por Opción (Art. 19).
- Extranjeros sujetos a patria potestad o tutela de español

- (1) Puede optar desde que cumplan 14 años, asistido de representante legal.
- (2) Por sí solos, dentro de dos años siguientes
 - A = Emancipación
 - cumplir 18 años, o
 - recuperar plena capacidad.

Nota: Transcurridos los 2 años podrán adquirir la nacionalidad por residencia de 1 año. Ver requisitos más abajo.

Requisitos:

- 1) Declaración ante Registro Civil. Si reside fuera, ante Registro Consular o ante Ministerio de Asuntos Exteriores.
- 2) Renuncia a nacionalidad anterior.
- 3) Juramento o promesa de fidelidad al Rey y obediencia a Constitución y Leyes.
- 4) Inscripción en Registro Civil (Art. 20).

4. Por Carta de Naturaleza.

Otorgada discrecionalmente mediante Real Decreto, cuando concurren circunstancias excepcionales. Los peticionarios mayores de 14 años pero menos de 18 años, no emancipados, deberán ser asistidos por representante legal.

Requisitos: Ver requisitos 2, 3 y 4 para la adquisición por opción.

5. Por Residencia (Art. 22).

- 1) 10 años: Norma general.
- 2) 2 años: Si se trata de nacionales de origen de: países iberoamericanos, Andorra, Filipinas, Guinea Ecuatorial, Portugal or Sefardíes.
- 3) 1 año:
 - (1) Si se ha nacido en territorio español.
 - (2) Nacido fuera de padre o madre que originariamente hubieran sido españoles.

- (3) Si no se ejercitó oportunamente la opción.
- (4) Quien se haya casado con español o española, aunque el matrimonio se hubiere disuelto.

Requisitos:

Residencia debe ser legal, continuada e inmediatamente anterior a la petición.

Ser mayor de edad o estar emancipado.

Previa solicitud. — Puede ser denegada por motivos de orden público o interés nacional.

Ver requisitos 2, 3, y 4 para la adquisición por opción.

6. Por Recuperación. Requisitos:

- 1) Residencia legal, continuada e inmediatamente anterior durante 1 año. Puede dispensarse. Ver Nota 1 y 2.
- 2) Declaración ante Registro Civil de su voluntad de recuperar la nacionalidad.
- 3) Renuncia ante Registro Civil a nacionalidad extranjera. Ver Nota 2.
- 4) Inscripción de la recuperación en Registro Civil.
- 5) Previa habilitación concedida discrecionalmente por Gobierno si:
 - (1) La perdieron siendo mayores de 14 años sin haber cumplido en España servicio militar o prestación social sustitutoria, o
 - (2) Fueron privados de nacionalidad española conforme al Artículo 24. Ver Nota 2.

Nota 1. La dispensa es obligatoria en los siguientes casos:

- (1) Emigrantes españoles que justifiquen tal condición.
- (2) Cuando haya adquirido voluntariamente la nacionalidad de su cónyuge.

Nota 2. Si la pérdida de la nacionalidad española se produjo por razón de emigración, con anterioridad a la Ley 51/82 de 13 de Julio de 1982, estos requisitos no son aplicables. Solamente se exigirán los siguientes:

- (1) Declaración ante Registro Civil de la voluntad de recuperar la nacionalidad, y
- (2) Inscripción de la recuperación en Registro Civil.

En cuanto a la previa habilitación, no está claro en la Ley si se exige en este supuesto. La respuesta más prudente es que sí, aunque sólo el primer apartado es aplicable.

PERDIDA DE LA NACIONALIDAD ESPAÑOLA

1. Adquisición voluntaria de otra nacionalidad (Art. 23).

- 1) Hallarse emancipados.
- 2) Residencia fuera con 3 años de anterioridad a dicha adquisición. Ver Nota.

Excepción:

- (1) Si se justifica ante Registro Consular o Central que la adquisición se produjo por razón de emigración. Ver Sección, Conservación de la nacionalidad.
- (2) Salvo declaración expresa ante Registro Civil una vez emancipado, no produce pérdida la adquisición de la nacionalidad de países iberoamericanos, Andorra, Filipinas, Guinea Ecuatorial, Portugal o de aquellos con los que se concierte un tratado de doble nacionalidad.
- (3) Salvo declaración expresa, una vez emancipados, no produce pérdida la adquisición voluntaria de otra nacionalidad cuando se trate de españoles que desde su menor edad ostenten, además, una nacionalidad extranjera.
- (4) Si España se hallase en guerra.

Nota: La Dirección General de los Registros y del Notario mantiene una doctrina llamada del asentimiento voluntario, en virtud de la cual el requisito de los 3 años no tiene que ser anterior y que cuando pasen 3 años de residencia fuera, si el interesado sigue conservando la nacionalidad extranjera, incurre en tal momento en causa de pérdida.

2. Sentencia firme (Art. 24).

- 1) Condenados por delitos que lleven dicha pena, o
- 2) Declarados incurso en falsedad, ocultación o fraude en la adquisición.

Nota: No aplicable a españoles de origen.

3. Servicio militar voluntario en estado extranjero contra prohibición expresa del Gobierno. (Art. 24).

Nota: No aplicable a españoles de origen.

4. Ejercicio cargo público en estado extranjero contra prohibición expresa del Gobierno (Art. 24).

Nota: No aplicable a españoles de origen.

CONSERVACION DE LA NACIONALIDAD ESPAÑOLA

1. Para evitar la pérdida:

- 1) Cuando hallándose emancipado y residiendo fuera con 3 años de anterioridad a la adquisición de otra nacionalidad, se justifique ante el Registro Consular o Central que la adquisición se produjo por razón de emigración. (Art. 23, párrafo 2).

La justificación debe hacerse con la diligencia debida. Este concepto de emigración debe entenderse en su sentido propio, es decir, ha de referirse al español que por motivos laborales o profesionales, traslade su residencia habitual al extranjero, así como a los familiares que le sigan.

(CONTINUA EN LA PAGINA 18)

**BANCO EXTERIOR GROUP... OF SPAIN...
OF GERMANY... OF FRANCE... OF CHILE...
OF BELGIUM... OF NEDERLAND... OF ITALY...
OF THE UNITED KINGDOM... OF ECUADOR...
OF PERU... OF ARGENTINA... OF PANAMA...
OF PARAGUAY... OF EQUATORIAN GUINEA...
OF COLOMBIA... OF BRAZIL... OF BOLIVIA...
OF GUATEMALA... OF BAHRAIN... OF THE
UNITED STATES... OF MEXICO... OF RUSSIA...
OF VENEZUELA... OF CAYMAN ISLAND... OF
SINGAPORE... OF PORTUGAL... OF EGYPT...
OF SWITZERLAND... OF URUGUAY... OF THE
WORLD.**



BANCO EXTERIOR GROUP
Banking without frontiers

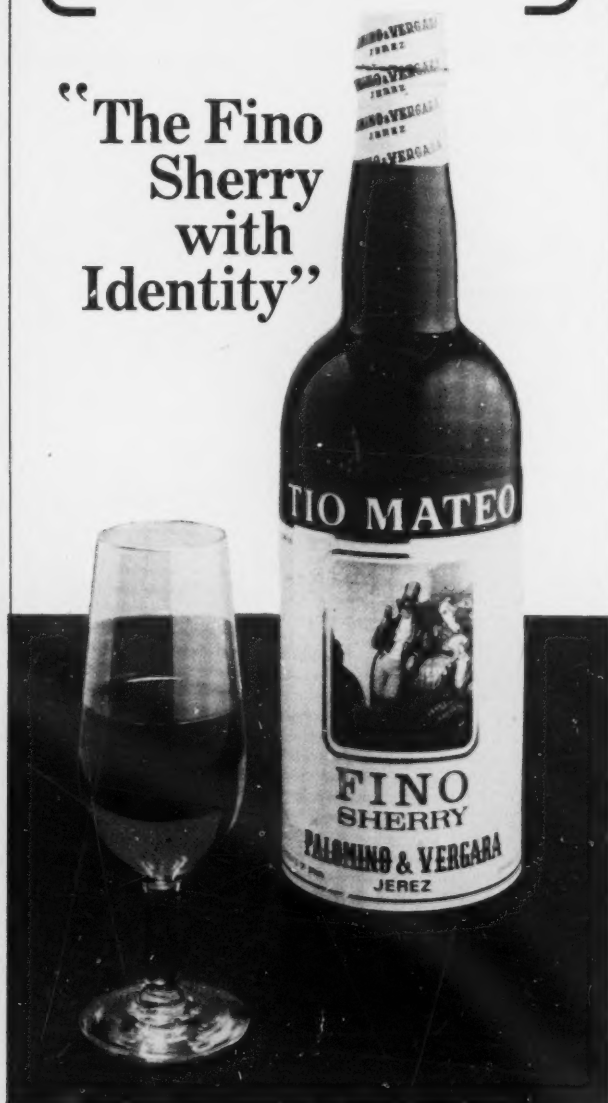


**EXTEBANK
INTERNATIONAL DIVISION
Olympic Towers Building
645 Fifth Avenue N.Y. 10022 (EE.UU.)**

TIO MATEO

FINO SHERRY

"The Fino
Sherry
with
Identity"



IMPORTER/DISTRIBUTORS

NEW YORK: JASON BROOKE
NEW JERSEY: DOMAINE IMPORTS
ILLINOIS: CONSOLIDATED DISTILLED PRODUCTS, INC.
MASSACHUSETTS: WORLD WIDE WINE & SPIRITS, LTD.
TEXAS: AMERICAN WINE & IMPORTING CO.
CALIFORNIA: WESTERN PACIFIC, INC.
WASHINGTON, D.C.: CENTRAL LIQUOR, INC.
GEORGIA: STATE WHOLESALERS, INC.
WISCONSIN: D & G OVERSEAS TRADE LTD.

LA NACIONALIDAD ESPAÑOLA

(CONTINUA DE LA PAGINA 16)

2. No se pierde: (Art. 25)

- 1) Cuando el hijo quede sujeto a la patria potestad de un extranjero.
- 2) Cuando el que tiene la patria potestad de un español, pierda la nacionalidad española.

NOTA SOBRE EL COMERCIO ENTRE ESPAÑA Y LOS ESTADOS UNIDOS

(CONTINUA DE LA PAGINA 10)

perando así el puesto perdido en 1980. Sin embargo, todavía se encuentra muy lejos del nivel alcanzado en 1979.

Los productos siderúrgicos ocupan el segundo puesto entre los principales capítulos de la exportación española a los Estados Unidos. Ha perdido el primer puesto que ocupaba en 1982, al pasar sus exportaciones de 133.600.000 dólares en 1982, a 75.800.000 en 1983, debido, fundamentalmente, a las restricciones impuestas por la Administración americana.

A continuación, con 52.100.000 dólares, aparece el capítulo de **preparados de legumbres**, que se encuentra estabilizado en torno a los 50.000.000 dólares desde hace bastantes años. La **maquinaria**—cuarto capítulo de la importación—ha experimentado un importante descenso en 1983 al alcanzar solo 45.700.000 dólares, caída motivada por el hecho de que, aunque la economía americana se ha empezado a recuperar a principios de 1983, esta recuperación todavía no se ha extendido al sector de la inversión.

El resto de los capítulos no muestra, como es lógico, variaciones significativas respecto a años anteriores, si se exceptúa el incremento experimentado por el capítulo 25—**cemento**—que ha pasado de 5.800.000 dólares a 14.100.000.

En el cuadro número 6 se ha procedido a desagregar el contenido de cuadro número 4. En dicho cuadro se incluyen aquellos renglones de la exportación española que durante los seis primeros meses de 1983 han alcanzado un valor mínimo de 4.000.000 dólares, y que, en conjunto, representan el 63,7% del total de las exportaciones españolas al mercado norteamericano, con estimación de su crecimiento respecto al mismo período del año anterior. ☐

Farrell Lines Appoints Treasurer

James G. Norton has been appointed Treasurer of Farrell Lines Inc., with worldwide responsibility for control over all revenue and collections, disbursements and cash management. Mr. Norton joined Farrell in 1981 after a diversified career in finance and management with several major companies.

Taxation of Non-Resident Foreigners in Spain

December 31, 1982 was not only New Year's Eve but also the eve of the enforcement of a new taxation system on income earned in Spain by non-resident foreigners. On that date, the Official Bulletin published Royal Decree 24/1982 setting forth "Urgent measures on budgetary, financial and fiscal matters."

Even though the Royal Decree affected several areas of the tax system then in force, we shall restrict ourselves to a review of article 16, which has triggered substantial problems. Accordingly, we shall proceed to analyze the new regime and the legal rules that have supplemented the now eight months-old system.

A) Royal Decree 24/1982

1. Article 16 of this Royal Decree established that income obtained in Spain by non-resident foreigners without a permanent establishment in the country, as of January 1, 1983, would be taxed at the following maximum rates:

- a. A general rate of 16%.
- b. A 10% rate in case of amounts paid by Spanish subsidiaries or affiliates of foreign companies to their parent companies or to companies otherwise exercising control over said subsidiaries or affiliates, whenever payments are made in consideration of support services received by the Spanish entities; provided that said services must be reflected in a written contract and must actually have been rendered.

This rate shall also apply to payments made as contribution by local branches of foreign entities to the general expense of their Head Offices under article 13, n) of the Corporate Income Tax Act.¹

- c. A reduced rate of 7% whenever income is derived from the rental or use in Spain of films or other cinematographic products for commercial or advertising purposes.
- d. Services, technical assistance, expenses derived from installation or assembly works resulting from either engineering contracts or other economic activities carried out in Spain by the foreign entity without a permanent establishment, shall be subject to a 16% rate on the difference between gross income less expenses in-

curred for personnel and materials used in the works or services.

2. Article 16 also established that partial payments would be independently subject to the tax even if they derived from a single contract and + or transaction.

3. The payor or the payee's Spanish fiscal representative would be jointly liable with the payee for the timely deposit with the Ministry of Economy and Finance of the tax due.

A lot of uncertainty followed the enactment of the above described rules. The opinion was that the broad wording resulted in unfair situations. By way of example, reimbursement by a subsidiary to its parent company of expenses incurred by this latter in the benefit of the subsidiary were taxed, as of January 1, 1983, at a rate of 16%.

In addition, the enactment of these provisions in the form of a Royal Decree was subject to criticism. Perhaps as a result of this, the above described rules were reproduced in article 17 of Act No. 5/83 dated June 19,² which was, once again, entitled "Urgent measures on budgetary, financial and fiscal matters."

This does not solve the procedural and material problems involved in the enforcement of the broad rules now contained in article 17 of Act 5/83. As a result, the Ministry of Economy and Finance has recently enacted an Order dated July 29, 1983 which is intended to set forth the procedure to comply with article 17.

B) Order dated July 29, 1983

The basic features of this Order are as follows:

1. It establishes a new form of tax return which substitutes for the one in use since the enactment of Royal Decree 24/82. Pursuant to Section First (2) of the Order, the return must be filed with the Ministry of Finance for approval of its terms within 25 calendar days from the time the payment by the Spanish resident is either due or actually received by the foreign entity, whichever term is shorter.

However, the term for filing the return shall not run until the approval for the transfer abroad is obtained from the relevant authorities. As a gen-

1. Act 61, 1978, dated December 27.

2. Official Bulletin, June 30, 1983.

eral rule, however, the return must be filed with the Ministry of Finance before requesting approval for the transfer of funds abroad. Normally the Ministry of Finance would approve the return on the basis of the documents presented, and in a very short term. There may be certain exceptions (see point 3 below).

2. Whenever the payments are to be made in a currency other than the peseta, Section First (5) of the Order sets forth that the tax payable must be assessed at the selling exchange rate in force on the date the return is filed for approval. The Order also provides that in the event that the selling exchange rate in force on the date the period of 25 days to file the return starts to run is higher than it was on the date the return was actually filed, tax shall be assessed on the basis of the former exchange rate.

However, should (a) the transfer abroad of the funds be delayed for more than a month from the date the return is approved; and (b) should the selling exchange rate in force on the day of the transfer be higher than the one in force on the day the return is approved, this latter rate shall apply to the remittance, and a supplement to the return must be filed with the Ministry of Finance.

Let's pray for a stable peseta!

3. The Order foresees certain cases in which approval of the tax return may be subject to the so-called "previous verification" (*comprobación preferente*). The procedure foresees an internal report from a special section of the Ministry of Finance before the return is finally approved. The returns that may be subject to this procedure are those concerning:

- a) Income entitled to deductions for payments made by the foreign entity to local personnel and/or suppliers.
- b) Increases in net worth.
- c) Income regarded by the foreign taxpayer as not being taxable.
- d) Income subject to taxation at reduced rates.
- e) Certain transactions affected by Double Taxation Agreements.
- f) In general, returns containing data not in agreement with the data in the supporting documents.

Is your company earning income that may fall under one of the above categories? Then, please note that pursuant to Article 344 of the Implementing Provisions to the Corporate Income Tax,³ the verification procedure may take up to 45 days, provided there have not been delays which were the fault of the taxpayer, in which case the above time limit may be extended.

Do not worry too much. If the decision is not favorable, or in case the final assessment made by the Ministry of Finance is higher than your own, you can always resort to a remedy of appeal before the proper Courts of Justice. Pursuing the remedy of appeal may not block the remittance of the relevant amounts provided the tax under appeal is paid and formal requirements for the appeal are complied with.

4. One of the cases normally subject to "previous verification" is the one foreseen in 3, a) above.

In this event, the taxable income can be ascertained by deducting from gross income the following:

a) Salaries and contributions to social security of personnel working directly in the income-generating activity—provided that all fiscal obligations related therewith (i.e. withholdings on salaries, etc.) have been complied with.

b) Value of materials imported into Spain for purposes of being used for or incorporated into the works made or services rendered in the country. In this regard, the value declared for customs purposes shall apply.

So far so good. We have reviewed the formal aspects of the regime and its "simple" procedural features. However, the general Spanish taxation system includes certain points which necessarily have to be addressed in connection with non-resident foreigners, and which may affect the enforcement of this procedure:

1. The works or services can be made or rendered either in Spain or abroad, thus having a different fiscal treatment.
2. Said works or services may have been made or rendered pursuant to a written agreement or based upon other grounds (affiliate/parent relationship, existence of a distributorship, etc.).
3. The income so earned may be the result of activities which are part of the usual turnover of the foreign entity (thus being probably subject to the Spanish Turnover Tax) or derived from activities which the foreign entity does not normally perform as part of its corporate purpose (thus being subject to Transfers Tax).

The way in which the above three points may relate to each other would alter the taxation system applicable to the transaction and would subject the relevant return to scrutiny by the tax authorities. We have prepared and listed below a breakdown of the alternatives with which our firm has been faced in the past. The breakdown also includes other situations which are possible in practice. We have been unable to obtain an informal opinion from the tax authorities on many of those, and each specific case should be consulted.

3. Royal Decree 3631/82, dated October 15, 1982.

1. Amounts paid to non-resident companies for works made or services rendered without permanent establishment in Spain to non-related third parties residents in the country.

If works are performed or services are rendered:

1.a. In Spain. The general rate would be 16% on the difference between gross incomes less expenses for personnel and supplies as foreseen in the Order dated July 29, 1983 (see point d above). If the works or services are rendered as usual turnover of the foreign company, income derived therefrom would be subject to a 4% Turnover Tax (ITE). The above withholding (16%) would not be applicable to the ITE.

1.b. Outside Spain. The applicable rate will be 16% on the gross amount of the invoice. The works or services so rendered would not be subject to ITE.

If the works or services are reflected in a written contract, said contract would not be subject to taxation if executed abroad.

2. Amounts paid for works made or services rendered by parent companies to Spanish subsidiaries.

2.1. Without written agreement. The same as in point 1 above.

2.2. With a written contract between the parent company and its subsidiary.

a) Works made or services rendered which are not considered as usual turnover of the parent and would not be made or rendered to independent third parties.

Income would be taxed at the rate of 10% regardless of the place where the services are rendered or the works made. The agreement would be subject to a 2% Transfers Tax (TT) on the compensation foreseen therein. Eventually, the contract could be exempted from Transfers Tax, depending on the circumstances.

b) Services or works rendered as a part of the usual turnover of the parent company.

b.1. In Spain: Income would be taxed at the rate of 10%. The works and services rendered would be subject to ITE at the rate of 4%. The ITE must be separately reflected in the invoice. The 4% tax must be deposited with the Ministry of Finance by the payor or by the local fiscal representative of the foreign company. The 10% is applicable to the gross amount of the invoice once the ITE is deducted.

The agreement as such would not be subject to taxation (TT).

b.2. Abroad: The contract would not be taxable.

ITE would not be applicable; therefore income would be taxed at the rate of 10% on the gross

amount of same.

3. Services rendered to a Spanish branch by its Head Office.

3.1. Without a written agreement between branch and Head office: The Ministry of Finance has not given an opinion on this point. Taking into consideration that the Head Office may not be authorized to charge a profit to its Spanish branch, taxation on remittances may be limited to 10% on the gross amount to be transferred. A specific ruling should be requested in this case.

3.2. With a written agreement between the Head Office and the branch: The need for said contract has been debated and its eventual existence would be supported only on fiscal grounds.

a) Services rendered and/or works performed that are not considered as not included in the usual turnover of the parent company.

a.1. In Spain: They would be subject to a 10% tax (the same as in point 2.2.a above).

a.2. Abroad: The same as in a.1. above.

b) Services rendered and/or works performed which are considered as the usual turnover of the parent company.

b.1. In Spain: Income would be subject to a 10% tax on net income (gross income less expenses for supplies and personnel). The invoiced amount would have to be increased by a 4% Turnover Tax. The agreement by itself would not be subject to taxation.

b.2. Abroad: Subject to a 10% tax. If executed abroad, the agreement is neither subject to Transfers Tax nor to ITE. The 10% tax would be levied on the gross amount of the invoice.

4. Contribution by local branches to general expenses would be subject to a 10% tax at the time of remittance. There is a trend of opinion within the Ministry of Finance that these amounts are subject to taxation as of the moment they are reflected in the accounting of the branch. The subject is otherwise governed by the Implementing Provisions to the Corporate Income Tax⁴.

Finally, it must be taken into consideration that the tax authorities can amend charges, fees or prices included in the documentation whenever they consider that said charges, fees or prices do not reflect actual market conditions. □

4. Royal Decree 2631/82 dated October 15, 1982.

OLARRA

Rioja Wines

A modern approach is winning U.S. sales for this new Rioja winery.

By MARTI FRIERICH

A RELATIVELY NEW BODEGA is rewriting the rule book on how to market Spanish wines in the United States, and as a result U.S. sales are growing at a rate some six times faster than those of the Spanish wine industry as a whole, and its wines are on the verge of becoming the best selling Riojas in the United States.

Olarra, the \$17.5 million winery built in Logroño some ten years ago by industrialist Luis Olarra, exported its first bottle of wine to the U.S. in 1979. By the end of 1983 his wines were challenging those of all Rioja shippers as the most popular in the United States.

Sales grew by 45% in 1983, compared to an average for all Spanish wines of six to eight percent, as forecast by *Impact*, the industry trade journal, and U.S. sales director Christopher W. Marshall predicts that Olarra's sales will in-

crease by an additional 65% in 1984.

"Only the more knowledgeable and adventurous wine drinkers truly understand the quality and value of Rioja wines," says Marshall. "For the large portion of the wine-drinking population, they remain an untried mystery. That will change in time as more drinkers experience Rioja quality first-hand; but first you have to get them to switch from French or California wines."

And that's what Olarra is doing. It imports eight wines—two whites and six reds—and the best ones, two *gran reservas*, are anything but cheap. They cost around \$11 a bottle at retail, more than any other Rioja in the U.S.

"But that is still a very affordable price of mature, elegant wines," says Marshall. "We are competing against California or French wines that, when mature, can cost up to \$50."

The less expensive Olarra wines cost in the \$5 to \$10 range, still high for Spanish wines.

According to Fernando Die Ortega, international director for Olarra, an insistence on quality product, a cost-efficient sales and distribution network, and aggressive marketing have all played key roles in Olarra's growth.

"When the winery was built," he says, "we searched the world to discover the most modern equipment and techniques. Then one of the world's great winemakers,



Ezequiel García, was hired and assigned one mission: to produce wines that could rank with the best in the world."

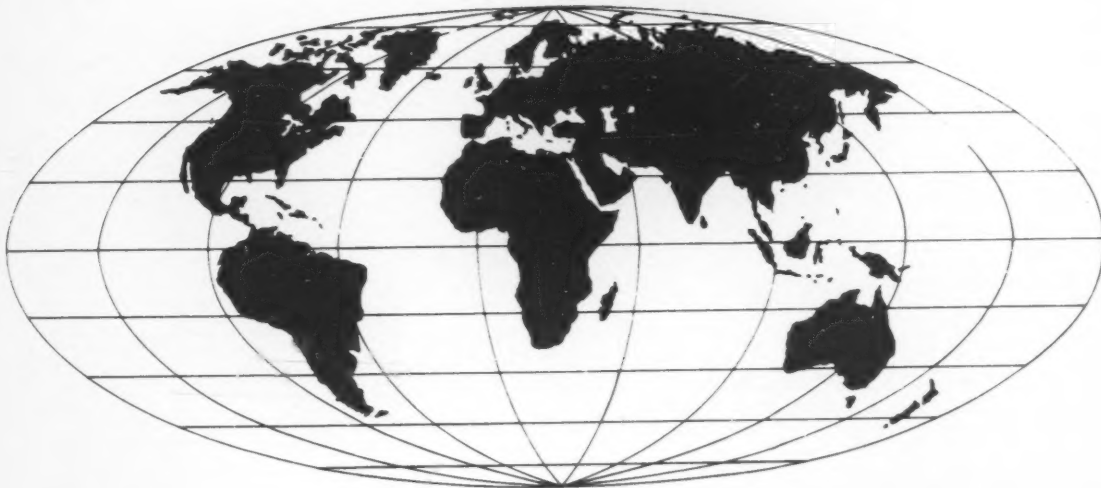
García, a member of the Rioja Control and Ruling Council, is one of Rioja's leading exponents of a winemaking style which places increased emphasis on fruitiness, with a corresponding reduction in oak aging. The result, even after ten years of aging, is a fresher, more lively wine that still retains the spicy, oaky character of traditional red Riojas. In his whites, García is at the forefront of a new style, with cold fermentation to achieve fresh fruit flavors, and in some bottlings no oak aging at all—a tremendous departure from tradition.

His products have been highly praised in Europe and the U.S., and consistently win taste comparisons with other Riojas, most recently in tasting conducted by *Les Amis du Vin* and *The Wine Spectator*, two leading industry publications. The usually reserved *Wine Advocate* raved that Olarra's newest releases were a "phenomenal wine value... the very best (Riojas) on the market."

Olarra departs from tradition, too, in its sales and distribution work. Three Americas are directly employed by the company to supervise sales, working with more than 40 distributor/importers throughout the United States.



Banco de Santander Group



More than 170 offices overseas

The Banco de Santander is the Spanish company with the largest number of offices overseas.

The Banco de Santander Group has more than 1,000 offices

in Spain, as well as a foreign network of more than 170 offices throughout 22 countries in Europe, North America, Central America and South America.

BS

GRUPO BANCO DE SANTANDER

Founded in 1857

**The largest Spanish overseas
Banking network**

Current Legislation in Spain

A SUMMARY OF LEGISLATION PUBLISHED BETWEEN SEPTEMBER 1st AND OCTOBER 21st, 1983

(NOTE: "Official State Gazette" is abbreviated "OSG")

GENERAL

1. Presidency of the Government. Royal Decree 2690/83 of Oct. 13, 1983 partially amending the regulations on compulsory insurance for motor vehicles approved by Decree 3787/64 of Nov. 19, 1964 (OSG Oct. 22, 1983).

2. Ministry of Economy and Finance. Order of Oct. 14, 1983, adapting the insurance rates approved by Order of July 30, 1980 to the new coverages established by Royal Decree 2690/83 of Oct. 13, 1983 (OSG Oct. 22, 1983).

3. Law 13/83 of Oct. 24, 1983, amending the Civil Code system on guardianship (OSG Oct. 26, 1983).

This Law amends titles IX and X of the First Book of the Civil Code which regulates the guardianship of the person and/or property of those who, not being under the parental authority, are incapable of taking care of themselves, and the constitution and method of procedure of the Family Council.

ADMINISTRATIVE

1. Office of the Head of State. Organic Law 11/83 of Aug. 25, 1983 on University Reform (OSG Sept. 1, 1983).

First of all, and as the main consideration to bear in mind, it should be pointed out that the present law does away with the traditional concept which Spain has had through the years about the University and University life. It introduces, in the present University system, great innovations, among which perhaps the most salient is the consideration of the University as an authentic public service. The Law establishes, as functions of the University itself: Scientific development; professional training; and the propagation of culture.

This Law also does away with the totally centralistic character which up to now the Spanish University has held, by establish in article 10 the

principle of the autonomy of the Universities.

Furthermore, this Law discusses the establishment, legal organization, and structure of the Public Universities; which establishment will be carried out by law of the Legislative Assembly of the Autonomous Community within whose jurisdiction it will be established, or by law of the Spanish Parliament, at the proposal of the Central Government, in accordance with Government Council of the corresponding Autonomous Community.

Insofar as the government body is concerned, it is determined that the Universities will draft their own statutes, and as long as these agree with what is prescribed in his Law, they will be approved by the Government Council of the respective Autonomous Community. As far as organs are concerned, it should be pointed out that the statutes should necessarily establish, as a minimum, the unipersonal and collegiate organs described in article 13. In this regard, we shall indicate that the collegiate organs are the following: Social Council, University Faculty, Government Board, Boards of Schools of Higher Technology and University Schools, and Council of Departments and University Institutes.

As it would be too extensive to discuss the specific functions which these organs have, it should only be stated that the Social Council and the Government Board are the participating and governing organs, respectively.

Finally, the Law also deals with Private Universities, although in a limited way, regulating the number of centers and minimum personnel necessary for the recognition of titles, etc. Lastly, it determines that these Universities and institutions of higher education of a private nature will be regulated by their own rules regarding organization and functioning.

2. Office of the Head of State. Royal Decree-Law 5/83 of Sept. 1, 1983 on urgent measures for the repair of damages caused by the

recent floods in the Basque country, Cantabria, Asturias, Burgos and Navarra (OSG Sept. 2, 1983).

First, it should be pointed out that this Royal Decree declares as a catastrophic zone the municipal territories of the provinces of Guipúzcoa, Vizcaya, Alava, Cantabria, Asturias, Burgos and Navarra, which are the ones affected by the floods.

It also includes a series of measures to alleviate the damages caused by such floods, which measures include: A moratorium on debt payments; declaration of non-business days (from August 25 to September 3, both inclusive) for the municipalities mentioned above, insofar as civil, notarial, mercantile, administrative and judicial effects are concerned; also concession of certain tax exemptions; concession of credits; rules on proceedings on regulation of employment which arises from damages produced by the floods.

After the publication of this Royal Decree, the other supplemental laws have been published.

3. Ministry of the Interior. Royal Decree 2322/83 of June 15, 1983, providing for the publication of the electoral results in the official gazettes (OSG Sept. 5, 1983).

4. Catalonia: Law of July 14, 1983, regulating the process of integration of several private schools into the public school system (OSG, Sept. 6, 1983).

5. Andalusia: Law of July 19, 1983 on Public Financing of the autonomous community of Andalusia (OSG Sept. 6, 1983).

6. Galicia: Law of June 15, 1983 recognizing the "galleguidad." (OSG Sept. 7, 1983).

7. Presidency of the Government. Royal Decree 2329/83 of July 28, 1983 on protection of the restoration efforts of residential and urban properties (OSG Sept. 7, 1983).

8. Presidency of the Government. Royal Decree 2332/83 of Sept. 1, 1983 regulating the sale, distribution and public showing of audiovisual materials (OSG Sept. 8, 1983).

9. Ministry of Transportation, Tourism and Communications. Royal Decree 2333/83 of Aug. 4, 1983 bringing up to date the amount of indemnities for damages contemplated in the Law of Air Navigation (OSG Sept. 8, 1983).

10. Presidency of the Government. Resolution of Sept. 5, 1983 of the Secretary of State for Public Administration ordering the publication of the Resolution of the Council of Ministers of July 27, 1983, regarding the selection of personnel for contractual agreements in the public sector (OSG Sept. 12, 1983).

11. Presidency of the Government. Royal Decree 2492/83 of June 29, 1983 regulating the State administrative control of ammoniac nitrate of "explosive degree" (OSG Sept. 18, 1983).

12. Ministry of Agriculture, Fishing and Food. Order of Sept. 13, 1983 on aid to the agrarian associated entities for the joint merchandising of their productions (OSG Sept. 19, 1983).

13. Presidency of the Government. Royal Decree 2505/83 of Aug. 4, 1983, approving the Regulations for Food Handlers (OSG Sept. 20, 1983).

The purpose of these Regulations is to define the conditions which the handlers of food must meet, as well as to establish the requirements to be fulfilled in order to adequately protect the health of the consumers. It also covers the legal status of such personnel insofar as sanitary effects is concerned.

The Regulations define the handlers of food as those persons who, by their labor activities, will come into direct contact with the food in the following cases:

- 1) Distribution and sale of fresh products, unpackaged.
- 2) Preparation, handling and/or packing of food or food products when these procedures are done manually and without later treatment guaranteeing the elimination of any possible contamination from the handler.
- 3) Cooking, preparation and related activities in food for direct use, unpackaged, in hotels and restaurants, as well as in collective kitchens and dining halls.

The Regulations also establish the general conditions to be met by the food handlers, most of which fall

under the hygienic-sanitary classification.

Finally, the firms and workers will be responsible for compliance with what has been established in these Regulations. Failure to comply will result in fines in accordance with what has been established in Royal Decree 1945/83 of June 22, 1983.

This Royal Decree approving these Regulations will become effective on January 1, 1984. Until such date the order of the Ministry of Government of Oct. 15, 1959 will be in force.

14. Presidency of the Government. Royal Decree 2506/83 of Aug. 4, 1983 approving the general regulations for the control of the real contents of packaged food products (OSG Sept. 20, 1983).

15. Catalonia: Reforms on the Rules of the Catalonia Parliament in relation to parliamentary groups and to the Deputies not forming part of such groups (OSG Sept. 20, 1983).

16. Ministry of Agriculture, Fishing and Food. Resolution of Sept. 13, 1983, of the General Secretariat of Maritime Fishing on implementation of the census of the Spanish fishing fleet (OSG Sept. 21, 1983).

17. Presidency of the Government. Royal Decree 2521/83 of Aug. 3, 1983, regulating the compliance of the participating percentage of the National Institute of Industry in other companies (OSG Sept. 24, 1983).

This disposition establishes that the requisite that the National Institute of Industry be direct holder of a certain percentage in the capital stock of a company will be considered complied with if the indicated participation percentage is indirectly held through companies in which said Institute holds the majority of its stock capital. It is also established that all stock transfer of shares held by the Institute to companies in which it holds the majority of the stock, as long as those shares represent the majority of the stock capital, must be approved by the Council of Ministers.

18. Ministry of Agriculture, Fishing and Foods. Order of Sept. 16, 1983, regulating a line of financial assistance to certain agro-industrial activities (OSG Sept. 24, 1983).

19. Ministry of Agriculture, Fish-

ing and Foods. Order of Sept. 20, 1983, regulating a specific assistance line for improvement of manufacturing of wine and unfermented grape juice (OSG Sept. 24, 1983).

20. Ministry of Industry and Energy. Order of Sept. 28, 1983 on rules for the declaration of the craft industries under protection during fiscal year 1983 (OSG Oct. 4, 1983).

21. Ministry of Health. Order of Sept. 26, 1983 on health control and registry of certain products (OSG Oct. 5, 1983).

22. Ministry of Health. Order of Sept. 28, 1983 approving the standards of identification and purity of the anti-oxidating additives authorized for use in the preparation of diverse food products (OSG Oct. 14, 1983).

23. Office of the Head of State. Law 12/83 of Oct. 14, 1983 on the Autonomy Process (OSG Oct. 15, 1983).

This law establishes the Government obligation to consult with the Autonomous Communities prior to the approval of a bill to harmonize the powers and activities of the several communities, soliciting from the bodies of such Autonomous Communities the information that it considers necessary on the activities that they develop within their own competence.

The Provincial Councils (*Diputaciones Provinciales*) will assume the ordinary business of the Autonomous Communities' own services within the territory of the respective province in the terms established by the statutes and law of the Autonomous Communities.

With regard to the general regime of the Autonomous Communities Administration, the general Spanish legislation on Administrative Procedure will be applicable, subject to the particularities of the Communities. The general legislation on eminent domain and on the Patrimonial Liability system of the Administration is also applicable.

Unless a law is enacted establishing a different regime, the same rules on accounting and financial and economic controls applied to the State Administration will be applicable to the Autonomous Communities, subject to the specialties established in their respective statutes. In this sense, the Office of the Controller of the Currency will establish territorial sections for the exercise of its functions.

With regard to the transference of services, the Autonomous Communities will become subrogated in the rights and obligations of the State Administration and, as a result of the reorganization of competences and services that results from the Autonomic Process, the State Administration will be restructured following the constitutional principles of effectiveness, decentralization, coordination, and economy of the public expenditure.

In connection with the Public Function, the public employees assigned to peripheral bodies of the State Administration or to other Public Institutions, whose services are transferred to the Autonomous Communities, will depend, organically and functionally, from them, who will assume all the State obligations in regard to the employees; including those derived from the Social Security Regime.

This law will go into effect five months after its publication in the Official State Gazette.

24. Ministry of the Interior. Order of Oct. 7, 1983 on documentation and replacement of permits for recreational and gambling machines (OSG Oct. 17, 1983).

25. Ministry of Economy and Finance. Resolution of Sept. 14, 1983 of the General Intervention of the State's Administration (IGAE) approving the economic-financing information that the corporations and public entities must submit to the IGAE (OSG Oct. 24, 1983).

26. Presidency of the Government. Royal Decree 2707/83 of Sept. 7, 1983 approving the Regulations of Law 19/82 of May 26, 1982 on contracting of agrarian products (OSG Oct. 25, 1983).

28. Office of the Head of State. Law 16/83 of Oct. 24, 1983 creating the Institute of the Woman as an autonomous organism (OSG Oct. 26, 1983).

29. Presidency of the Government. Royal Decree 2740/83 of Oct. 26, 1983 regulating the granting of financial assistance to Journalistic Entities and Information Agencies for fiscal year 1983 (OSG Oct. 29, 1983).

INTERNATIONAL

1. Ministry of Foreign Affairs. Agreement of March 18, 1983 on eco-

nomie and commercial cooperation between Spain and the Popular Republic of Angola, signed in Madrid (OSG Sept. 14, 1983).

2. Ministry of Foreign Affairs. Agreement of July 22, 1983 between the United Nations Organization for Industrial Development and the Government of Spain regarding the holding of the meeting of Ministers on the establishment of the International Center of Genetic Engineering and Biotechnology, signed in Vienna (OSG Sept. 16, 1983).

3. Ministry of Foreign Affairs. Resolution of Sept. 5, 1983 of the General Technical Secretariat, publishing the notifications between governments on existing treaties received by the Ministry between May 1 and Aug. 31, 1983 (OSG Sept. 16, 1983).

4. Office of the Head of State. Instrument of Adherence of Spain, dated Aug. 13, 1983, to the Agreement on the future multilateral cooperation in the fishing waters of the Northwest Atlantic, signed in Ottawa on Oct. 24, 1978 (OSG Sept. 27, 1983).

5. Ministry of Foreign Affairs. Agreement of Sept. 8, 1983 on tourism cooperation between the Governments of Spain and the Republic of Italy, signed in Madrid (OSG Oct. 6, 1983).

6. Presidency of the Government. Order of Oct. 7, 1983 creating the Interministerial Commission in charge of preparation of the White Book on the handling of foreign matters by the Administration of the State (OSG Oct. 8, 1983).

7. Ministry of Foreign Affairs. Agreement of Aug. 1, 1983 on cooperation on maritime fishing between Spain and the Kingdom of Morocco, signed in Rabat (OSG Oct. 11, 1983).

8. Ministry of Foreign Affairs. Addenda to the Protocol on cooperation in astrophysical matters among the governments of the Kingdoms of Spain, Denmark, Great Britain and Northern Ireland, and Sweden (OSG Oct. 14, 1983).

9. Ministry of Foreign Affairs. Exchange of notes of Feb. 1 and May 2, 1983 constituting an agreement extending the agreement dated Jan. 29, 1964 between the governments of the United States and Spain on scientific and technical cooperation supporting

lunar and planetary exploration programs and manned and unmanned space flights (OSG Oct. 21, 1983).

10. Office of the Head of State. Instrument of Ratification of Nov. 24, 1982 of the Additional Agreement to the Social Security Agreement between Spain and Switzerland of Oct. 13, 1969, signed in Berne on June 11, 1982 (OSG Oct. 28, 1983).

11. Ministry of Foreign Affairs. Amendment proposed by Switzerland to Chapter VII of the Customs Agreement in regard to the temporary importation of commercial vehicles, signed in Geneva on May 18, 1956, which was circulated by the General Secretary of the United Nations on Aug. 26, 1982 (OSG Oct. 29, 1983).

12. Ministry of Foreign Affairs. Amendment proposed by the Kingdom of Great Britain and Northern Ireland to the amended annex B of the European Agreement regarding the International Highway Transportation of Hazardous Merchandises, signed in Geneva on Sept. 30, 1957, which was circulated by the General Secretary of the United Nations on June 20, 1983 (OSG Oct. 31, 1983).

FISCAL

1. Ministry of Economy and Finance. Royal Decree 2318/83 of July 13, 1983 establishing import quotas, free of duties, covering the importation of the goods indicated in the annex to this Royal Decree (OSG Sept. 5, 1983).

2. Ministry of Economy and Finance. Royal Decree 2319/83 of July 13, 1983 establishing an import quota, free of duties, for the importation of zinc waste and scraps (Item 79.01.B) (OSG Sept. 5, 1983).

3. Ministry of Economy and Finance. Royal Decree 2320/83 of July 28, 1983 amplifying the extension and amending the equipment list annexed to the Customs Tariff (OSG Sept. 5, 1983).

4. Ministry of Economy and Finance. Royal Decree 2321/83 of Aug. 4, 1983 modifying Royal Decree 489/79 of Feb. 20, 1979 organizing the Territorial Administration of Public Finance (OSG Sept. 5, 1983).

5. Ministry of Economy and Finance. Royal Decree 2403/83 of June 22, 1983 clarifying the meaning of the peseta

For True Quality

GOYA
Foods

If it's

GOYA

...It's got to be

GOOD

GOYA FOODS, INC. - 100 Seaview Drive, Secaucus, New Jersey 07094
(212) 499-4000 • (201) 348-4900

value of goods sold on consignment, insofar as it relates to the taxable base of the tax for services of the Subsecretariat of Commerce ratified by Decree 2016/59 of Nov. 12, 1959 (OSG Sept. 12, 1983).

6. Ministry of Economy and Finance. Order of Aug. 25, 1983 approving the form for the declaration and payment on account of the Corporate Tax, as established in Article 29 of Law 9/83 of July 13, 1983 (OSG Sept. 15, 1983).

7. Ministry of Economy and Finance. Circular No. 896 of Aug. 26, 1983 of the General Directorate of Customs and Special Taxes, approving "Actualization No. 38" of the explanatory notes of the Customs Tariff (OSG Sept. 19, 1983).

8. Ministry of Economy and Finance. Royal Decree 2532/83 of Sept. 7, 1983 introducing amendments in the duty structure of item 04.04 (cheese, cottage cheese) of the Customs Tariff (OSG Sept. 26, 1983).

9. Ministry of Economy and Finance. Royal Decree 2533/83 of Sept. 7, 1983 amending the Customs Tariff applicable to Sub-item 39.02 C. XIV a.º, bb (OSG Sept. 26, 1983).

10. Ministry of Economy and Finance. Royal Decree 2535/83 of July 28, 1983 amending the Customs Tariff applicable to the importation of goods carried by passengers (OSG Sept. 27, 1983).

11. Ministry of Economy and Finance. Royal Decree 2536/83 of July 28, 1983, amending the Customs Tariff applicable to sub-item 73.15B.III.a relating to the planing in roll of stainless steel plates (OSG Sept. 27 1983).

12. Ministry of Economy and Finance. Royal Decree 2537/83 of July 28, 1983, amplifying the import quota, free of duties, covering the importation of plaster paper of less than 65 gr/m², to use it for the publication of magazines, established by Royal Decree 3276/82 of Nov. 12, 1982 (Item 48.07.D.II.b.1 of the Customs Tariff) (OSG Sept. 27, 1983).

13. Ministry of Economy and Finance. Royal Decree 2538/83 of July 28, 1983 amending items 08.01 (dates, bananas, etc.), 84.11 (pumps, fire engine equipment, etc.), 84.45 (machine tools, etc.), of the Customs Tariff (OSG Sept. 27, 1983).

14. Ministry of Economy and Fi-

nance. Royal Decree 2539/83 of July 28, 1983 amending temporarily the customs duties applicable to the planing in roll of stainless steel plates, in crude (Item Ex-73.15.BIII.a). (OSG Sept. 27, 1983).

15. Ministry of Economy and Finance. Royal Decree 2545/83 of July 28, 1983, establishing an import quota, free of duties, covering the importation of a certain good classified in tariff item 48.01 F XVIII.b.2. (OSG Sept. 27, 1983).

16. Ministry of Economy and Finance. Royal Decree 2546/83 of Aug. 4, 1983, amplifying the extension and amending the equipment list annexed to the Customs Tariff (OSG Sept. 27, 1983).

17. Ministry of Economy and Finance. Royal Decree 2569/83 of Sept. 21, 1983 developing Law 11/83 of Aug. 16, 1983 (OSG Aug. 18, 1983) on financing measures in support of exportation (OSG Sept. 29, 1983).

Law 11/83 of Aug. 16, 1983 provides that the Official Credit Institute will reimburse the banks, savings institutions, Spanish Association of Savings Institutions, Banco Exterior de España, and foreign banks, for the difference between the market cost of the necessary funds to finance the export operation and the revenues that the financial entity granting the credit may obtain as a consequence thereof, plus a certain annual percentage margin over the loan amount.

This Decree-Law implements Law 11/83. It defines the export operations that qualify for the reimbursement as follows:

1. Credits made and financed in foreign currency admitted to quotation in the Spanish market, provided they are regulated by Royal Decree 2294/79 of Sept. 14, 1979 or by Decree 1838/74 of June 27, 1974 and further provided the credits comply with the current legislation on export credits.

2. The export operation must have been authorized by the Ministry of Economy and Finance. However, the Ministry may waive the requirement of the authorization for certain operations, depending on its terms, economic value or time.

The Royal Decree also regulates the formula to calculate the cost of the funds and of the revenues to the financial entity and the amortization of the credit.

It is important to note that the credit may also include the amounts of the commissions, if any.

In addition, the Royal Decree provides that the export credit subject to the subsidy cannot be included or computed in the investment coefficient established for the private banks, savings banks, and the Banco Exterior de España.

Finally, this Royal Decree authorizes Compañía Española de Seguros de Crédito a la Exportación to insure export credits financed in foreign currency.

18. Ministry of Economy and Finance. Order of Sept. 20, 1983 amending the tax credit on export by non-manufacturing exporters (OSG Sept. 29, 1983).

Royal Decree 2950 of Dec. 7, 1979, which amended the rates of the Internal Compensating Tax (ICGI) and Tax Credits on Exports (DFE) to conform them to Law 6/79 of Sept. 25, 1979, on the Temporary Indirect Taxation System, granted a tax credit of 1% to those exporters who are not the manufacturers or producers of the goods being exported. That 1% tax credit was granted regardless of other tax credits for exports available under Royal Decree 2950.

In view of the tax rate increases introduced by Law 5/83 of June 29, 1983, on the Turnover Tax (IGTE), and in order to compensate those exporters for the additional tax paid during the commercialization of the goods within Spain, this Order of Sept. 20, 1983 increases the tax credit available to exporters who are not the manufacturers or producers of the goods exported during 1983 from the Peninsula or the Balearic Islands, to 4.3%. Such tax credit will be calculated on the tax base on which the tax credit assessments were made, subject to the applicable conditions provided in Royal Decree 2950/79 of Dec. 7, 1979 and its supplemental regulations.

19. Ministry of Economy and Finance. Royal Decree 2570/83 of Sept. 21, 1983, regulating the complementary tax rate applicable to gambling automatic machines (OSG Sept. 29, 1983).

20. Ministry of Economy and Finance. Royal Decree 2582/83 of July 28, 1983 waiving the requirement of justification of the arrival at its destination of foreign goods in the cases

regulated in Articles 95, 198, 203, 211, and 220 of the Customs Tariff (OSG Oct. 4, 1983).

21. Ministry of Economy and Finance. Royal Decree 2736/83 of Sept. 29, 1983, abolishing article 6 of Royal Decree 1192/79 of April 4, 1979 on Regulations of Customs Clearance of Merchandise in the private areas (OSG Oct. 29, 1983).

22. Ministry of Economy and Finance. Royal Decree 2744/83 of Aug. 25, 1983 revising the annex to the Fiscal Ordinance regulating the special tariff on customs duties covering importation of merchandise into the Canary Islands (OSG Oct. 31, 1983).

COMMERCIAL

1. Ministry of Economy and Finance. Royal Decree 2401/83 of May 11, 1983 regarding rates of interest of the official credit to certain special sectors (OSG Sept. 12, 1983).

This Royal Decree regulates the rates of interest applicable to the official credits granted to certain sectors of the economy. Therefore, the rate of interest of those credits under Decree 175/75 of Feb. 13, 1975, applicable under the agreed system (*régimen concertado*) of the electrical sector and under Royal Decree 228/80 of Jan. 18, 1980, on the construction of electrical centrals operated by coal will be 13% per annum for those credits granted for the financing of investments made up until Dec. 31, 1985, and the regular rate applied by Banco de Crédito Industrial to ordinary credits for those granted to finance investments after said date.

Furthermore, a 12% annual interest rate is set forth for credits granted under Royal Decree 234/81 of Jan. 16, 1981 covering medium-term agreement in the coal mining industry.

Finally, the rate of interest applicable to those credits covered by Royal Decree 365/79 of Feb. 13, 1979, granted to journalistic organizations publishing daily newspapers, will be the one corresponding to the ordinary credits of Banco de Crédito Industrial, but with a maximum limit of 13%. This rate of interest will be applied to the operations formalized after the publication of this Royal Decree.

2. Ministry of Economy and Finance. Royal Decree 2621/83 of Sept. 29,

1983 on International Trade Shows (OSG Oct. 8, 1983).

This Royal Decree regulates the international trade shows that take place in Spain, the organization of the official Spanish shows of commercial nature to take place abroad, and the Spanish official participation in the international trade shows celebrated abroad. It also establishes the annual calendar of the international trade shows and official participations abroad, which will be elaborated by the Secretariat of State for Commerce and published in the Official State Gazette.

It should be pointed out that the authorization and the recognition of the international character of "the international trade shows," as well as their rules, correspond to the Secretariat of State for Commerce. The Autonomous Communities having the proper competence under their statutes will be in charge of the organization of the authorized trade shows and also of those declared as international by the Ministry of Economy and Finance.

In this regard, we should point out that the official chambers of commerce, industry and navigation and the organizations of exporters of their respective commercial sectors will cooperate in the organization and development of the international trade shows.

It is also important to mention that according to this Royal Decree the shows which are defined as "international trade commercial shows" are those in which foreign exhibitors participate, provided goods are admitted without discrimination based on their national or foreign origin. We should also point out that according to this Royal Decree the international trade shows contemplated will enjoy the customs benefits granted to the exportation, transport, storage and exhibition of foreign goods.

The shows referred to in this Royal Decree will be of two kinds:

- a) General trade shows
- b) Technical, monographic or by sector shows.

We have to point out that during the celebration of the shows regulated in this Decree, the following activities will not be allowed:

- 1) To carry out activities different from the specific purpose of the shows.
- 2) Those entities or private organizations which do not have a commercial,

technical or scientific character, or whose activities do not agree with the purpose of the show will not be able to occupy space.

3) Direct sales where the buyer takes away the goods from the show grounds cannot be effected.

In the shows regulated by this Royal Decree the only admitted exhibitors will be the manufacturers, traders, representatives or exclusive agencies or distributors and only the samples corresponding to the goods included in the authorization in accordance with the type of show held can be exhibited.

Finally, according to this Royal Decree each show will have an "executive committee" as organizer of the activities, which will be formed by representatives of the economic and commercial sectors corresponding to the scope of the show. In this regard, the Ministry of Economy and Finance will send a permanent representative, who will attend the meetings of the executive committee. This executive committee should send to the Secretariat of State for Commerce, within four months following the closing of the show, a report on the activities developed in the show and the results obtained thereof.

3. Ministry of Economy and Finance. Order of Sept. 21, 1983, on statistical-accounting documentation of the insurance, reinsurance and capitalization companies, adapted to the General Accounting Plan (OSG Oct. 8, 1983).

FOREIGN INVESTMENT

Ministry of Economy and Finance. Resolution of Oct. 17, 1983, of the General Directorate of Foreign Transactions, modifying Resolution of Jan. 25, 1975 regulating the Procedure for Declaration of Foreign Investments (OSG Oct. 27, 1983).

This resolution abolishes paragraph 2 of number 3.1 of the Resolution of Jan. 25, 1975, which requires the public authenticating officers to request, prior to exercising their authenticating functions, the documents showing that the administrative authorizations prescribed by the legislation on foreign investments have been obtained.

CONSTITUTIONAL COURT

1. Constitutional Court. Appeal on constitutional grounds No. 614/83 filed

Immigration Considerations in Employing Aliens in the United States

INTERNATIONAL CORPORATIONS employ aliens in the United States in a variety of jobs. Strict immigration laws dictate the persons who may enter this country and conditions under which they may enter. As the repercussions for improper entry and employment of an alien employee affect the employer as well as the employee, it is important that employers have a basic understanding of the relevant immigration laws.

Noncitizens entering the U.S. fall within one of two categories: Immigrant or nonimmigrant. Those who intend to reside permanently in the U.S. belong in the former status. Those who intend to remain for a limited time and for a limited purpose belong to the latter. In order to immigrate to the U.S. primarily for work, the alien must comply with specific requirements. However, aliens with familial ties to U.S. citizens or residents may be able to enter by virtue of such relationship, rather than entering pursuant to the more complicated work-related categories.

Most aliens seeking to enter the U.S. pursuant to a nonimmigrant or immigrant work-related category must obtain labor certification from the Secretary of Labor establishing that the aliens' entry will not adversely affect American labor. The labor certification process is a complicated, time-consuming process, without predictable outcome, and should be avoided whenever legally possible. An exception to the need for labor certification exists for certain nonimmigrant work categories and for specific jobs listed on the Department of Labor's (DOL) Schedule A of Precertified Occupations. The DOL has similarly promulgated a Schedule B of Uncertifiable Occupations, listing occupations for which a labor certification will not be issued. An alien attempting to immigrate pursuant to a work-related category will not be able to enter for a job listed on Schedule B. In order to enter the U.S., such an alien must enter pursuant to one of the familial tie categories.

In order to temporarily enter the U.S. as a non-immigrant worker, an alien must comply with the requirements of the appropriate nonimmigrant category. The following overview summarizes the more common means of entry available to aliens typically employed by international corporations. Because of the technical and complicated nature of this area, this is not intended to be a comprehensive explanation of

the means of entry and its requisite procedures. Rather, each case must be analyzed on its own facts to determine whether applicable immigration principles allow entry.

NONIMMIGRANT VISITORS FOR BUSINESS (B-1)

Aliens entering the U.S. for short business trips ordinarily enter pursuant to a B-1 visa. Key considerations for determining the appropriateness of entry under a B-1 visa include whether the alien clearly intends to continue his foreign residence, whether the principal place of business, place of eventual accrual of profits, and source of salary for the beneficiary remains in the foreign country, and whether the various entries individually are of a plainly temporary nature. B-1 visas are clearly *not* appropriate for alien employees whom an international corporation intends to employ to render services in the United States.

TREATY TRADERS AND TREATY INVESTORS (E-1, E-2)

A prerequisite to admission of aliens under the two classes of treaty aliens is the existence of a treaty of friendship and commerce between the U.S. and the country of the alien's nationality.

Treaty Trader Status (E-1) requires employment of the alien by an entity which has at least 51% of its trade between the U.S. and the country of the alien's nationality. The trade must actually be in existence or under contract, and not merely a hope or expectation of the employer of establishing such trade.

Treaty Investor Status (E-2) may be accorded if the alien is coming to develop and direct and enterprise in which he has personally invested or is actively in the process of investing a substantial amount of capital. A mere stockholder does not qualify for investor status.

A treaty alien may be an employee of another treaty alien; however, the employer must satisfy the nationality requirements, and the employee alien must be employed in a responsible position that is managerial, executive, or requires other special qualifications for the job.

INTRA-COMPANY TRANSFEREES (L-1)

A common visa classification utilized by international corporations to transfer current employees



BANCO CENTRAL

su banco amigo

NEW YORK BRANCH

245 Park Avenue
New York, N.Y. 10167
Tel.: (212) 557-8100

BANCO CENTRAL OF NEW YORK

Full banking services
Main Office:
50 Broadway
New York, N.Y. 10004
Tel.: (212) 785-0700
and five other locations in the city

CALIFORNIA AGENCY

505 Sansome Street
San Francisco, California 94111

MIAMI AGENCY

Rivergate Plaza, 800 Brickwell Avenue,
Miami, Florida 33131

FULLY OWNED SUBSIDIARY IN PUERTO RICO

Banco Central Corp.
Main Office: Ave. Ponce de León 221
Hato Rey, Puerto Rico 00917
Tel.: (809) 753-2500
(Twelve branches on the island)

HEAD OFFICE

Alcalá 49 • Madrid, Spain



The interior courtyard of the Corral del Carbon in Granada before the installation of the Artespaña shop.

Spain's Unique Artespaña Stores

In a shrewd marketing ploy, these government-run shops sell Spanish handicrafts in historically interesting buildings.

By CHARLES OCHELTREE

THE 'ARTESPAÑA' STORES of Spain, which are government-run, are a treat for visitors in more ways than one. Sure, they stock typical and unusual Spanish handicrafts—lace, ceramics, wood inlay pieces, weavings, damascene jewelry, embroidery—from all over the country, at reasonable prices. That's what the government had in mind when it created the retail chain as a forum for the country's artisans, those hardy souls who tie the heritage of the past to the present through their craft. But, as a further incentive to prospective customers, many of the stores were opened in interesting, historically important buildings — sites that in themselves would become part of a tourist's itinerary. A

shrewd marketing ploy indeed!

Take the Artespaña emporium in Granada, for example. It is ensconced in the *Corral del Carbon*, loosely translated, the "Carbon Corral," the last remaining Moorish grain exchange in Spain, built at the beginning of the 14th century in what is now downtown Granada, two blocks from the cathedral and royal chapel where Ferdinand and Isabella are buried. Through its profusely decorated keyhole doorway lies the interior courtyard, which is surrounded completely by two tiers of overhanging balconies. Traders were lodged in hotel-like rooms on the upper two floors while doing business in town. Following the conquest of Granada in 1492, the "corral" was used as a

theater. The building is particularly lovely in the spring when the blossoming vines that climb the walls flower.

In Cordoba, the Posada del Potro, which figures prominently in Cervantes' chronicle of Don Quixote's travels, has been carefully restored to its original state in the process of installing an Artespaña store there. In the past, the Posada del Potro (*posada* means inn) was a favorite waystation for travellers and merchants, and it seems somewhat fitting now that 500 years after its establishment travellers once again stop to trade. Located deep in the heart of Cordoba's old city, the Posada del Potro is close to the Moorish *Mezquita* (mosque) and the ancient Sephardic synagogue.

On the island of Tenerife in the Canaries, one of the more elaborate 17th century baronial mansions of the Plaza de la Candelaria, a stone's throw from the port of Santa Cruz, is home to another Artespaña shop. Replendent with carved teakwood balconies and fanciful adornments, the mansion is representative of Canarian design and artistry.

Toledo's Artespaña store uses one of the ancient Sephardic homes on the street Samuel Levi, the rather abbreviated thoroughfare along which lie El Greco's house and museum and the famed El Transito Synagogue and Sephardic Museum, in perhaps the most famous Jewish Quarter in all of Spain. Still another example of making the best possible use of monumental Spain as a forum for Spanish products.

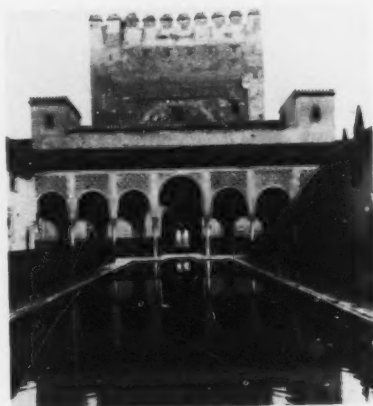
Whether or not the use of landmarks like these as locales for the two dozen Artespaña shops has a real effect on sales has not been studied; but two truths are evident in this type of marketing scheme: More historical gems within the country have been preserved for posterity — and it sure hasn't hurt business any! □

The Alhambra: Spain's Most Visited Site

What's the most visited site in Spain? If you guessed the Prado Museum, you guessed wrong. Since 1972, the number one ranking has gone to Granada's Alhambra palace complex, the only site in the country which draws enough paying visitors to be self-supporting.

Starting back in 1976, the Alhambra began putting together its still-intact record of one million paying visitors per year, hitting its alltime high of 1.6 million in 1978.

But what is perhaps even more amazing, when you stop to think, is that just a little over a hundred years ago the splendid palace—in all actuality the supreme example



of Moorish art in Spain — was almost totally in ruins, a hopeless jumble of deteriorating halls, patios and fountains, which was once earmarked for destruction.

America's own Washington Irving, serving as an attaché to the American embassy in Madrid, was instrumental in bringing fame to this architectural masterpiece with his charming *Tales of the Alhambra*, a first-hand account of his adventures there and a compilation of the legends surrounding the palace. Given the continuous stream of awed tourists which today visits the Alhambra, Irving would no doubt be most pleased at the fruits of his efforts.

The Alhambra is open every day of the week from 9 a.m. to 7 p.m. Admission, including the Generalife Place, Carlos V Palace, and the Alcazaba, is less than \$2.00.

The Wild West Lives...in Spain?

In a scene right out of "The Twilight Zone," the poor, unsuspecting tourist, in search of the famed white villages of Spain's hinterland, heads north from the ancient Moorish stronghold of Almeria, on the glistening Mediterranean, the city's palms and fragrant orange trees a receding memory in the rearview mirror. Clearing a bend in the road, our tourist screeches the car to a halt, staring ahead, eyes blinking in disbelief at what lies on the horizon... Tombstone, Arizona?

That's just about the way it happens on Spain's highway N-340 from Almeria to Murcia, which runs through the town of Tabernas and the still-standing western movie sets there.

Sergio Leone, the king of the "spaghetti westerns," deserves the credit for making the Tabernas area of the province of Almeria the new "Monument Valley" by erecting the first "Yucca City" east of the Mississippi, in 1963.

Then as now, the stark, barren terrain, devoid of telephone wires, power lines and other obstructions, makes for clean camera angles. The consistently sunny weather is ideal for keeping to a rigid shooting schedule. In fact, conditions are so good in Almeria province that it has been the backdrop for more than just westerns. "Lawrence of Arabia" was filmed nearby, and parts of "Reds," "Conan the Barbarian," and more than 500 other movies have been shot here since the early sixties.

In the mid-70s, as production of westerns declined, local promoters seized the opportunity to convert some of the ghost town sets—duly spruced up, of course, into a tourist attraction. The result? "Mini-Hollywood."

Located about 30 minutes drive north of Almeria, "Mini-Hollywood" is the essence of *deja vu*, with saloons, jails, blacksmith shops, hotels, and a "Main Street," all of which conjure up familiar and

vivid images of John Wayne swaggering through town with his singular gait, Clint Eastwood shifting his cigar casually in his mouth before firing, and Charles Bronson being Charles Bronson in dozens of shoot-'em-ups.

Twice daily, professional stuntmen fly through the windows in barroom brawls, banks are robbed by desperados, and the Indians are driven off by the Cavalry, who arrive just in the nick of time.

If the spirit of the old west boils in your veins, "Mini-Hollywood" will even provide you with cowboy duds and Ole Paint for a ride through town on your own. For small bronco busters there are pony rides and a playground too.

Tours to "Mini-Hollywood" are sold as regular half-day programs from Almeria, including transportation and lunch. Check with your hotel concierge for costs.

Also check locally for the times of the stuntmen shows with the local Tourist Office in Almeria, at Hermanos Machado, s/n, in the center of town. The phone number is 23-47-05.

News in Brief . . .

OECD Forecasts Favorable Growth Rate for Spain in 1984

In a recent report, the Organization for Economic Development (OECD) estimates Spain's 1983 growth rate at 2.7% and forecasts 2.5% for 1984, according to the Spanish Economic News Service. These forecasts place Spain's estimated growth rate ahead of those of the United Kingdom, France and Italy, which are expected to grow at rates of 2% or less, but behind the United States, Japan, and Germany.

According to a report by the Bank of Spain, Spain's trade balance deficit for the period January through October 1983 is approximately \$2,969m, vs. \$4,071m. for the same period of 1982. The OECD forecasts a deficit of \$1,300m for 1984.

Foreign Investment Up 22.1%

Direct investments of foreign capital in Spanish companies increased by 22.1% during the first nine months of 1983 over the same period of 1982, reaching a volume of 102,024m pesetas.

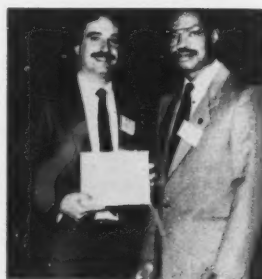
Standard Electrica to Export Telephones to the United States

Standard Electrica, a Spanish affiliate of ITT, plans to export 500,000 telephones to the U.S. in 1984, 750,000 in 1985, and one million in 1986, according to a report by the Spanish Economic News Service. This production, as well as the launching of ITT's new X-TRA personal computer in Spain, is expected to create 2000 new jobs in Spain.

Advertising Awards to Iberia Airlines

Joaquín Pradas (left), Advertising and Promotion Manager of Iberia International Airlines of Spain, accepts an ANTOUR (Assembly of National Tourist Office Representatives) award for radio advertising on behalf of the airline. The award was presented at ANTOUR's annual conference on "New Directions in Travel Advertising," held on November 3rd at the Grand Hyatt Hotel in New York.

The award, for excellence in radio advertising, followed shortly after the Advertising Club of New York presented Iberia with the 1983 ANDY Award of Merit for Newspaper Advertising, which Iberia won in the single entry, black and white category. Avrett, Free & Ginsberg is the advertising agency for Iberia.



Royal Madrid Ceramic Group Appoints U.S. Sales Agent

Daniel Dodero, President of Royal Madrid Ceramic Group/Tiles from Spain (left), with Al Joyce, Marketing Manager of Benissa Sales Inc., which Royal Madrid has appointed as their exclusive sales agency, for the Northeastern United States.



Through the agency, Royal Madrid Ceramic Group will offer to U.S. buyers ceramic floor and wall tile, both residential and commercial, from leading factories in Spain.

Trade and consumer advertising will be used, and sample boards with the distinctive Royal Madrid logo and catalogues will be available. Also part of the merchandising program will be incentives including gifts from Spain and plant tours and vacations in Spain.

Exhibition at trade and consumer shows will be a joint venture of Royal Madrid Ceramic Group and Benissa Sales Inc.

For further details contact Al Joyce at (212) 253-1061.

Spain Develops Alternative Power Sources—Solar and Wind

Spain's first electricity-generating windmill was recently completed by Unisolar, a division of INI, and installed in Mallorca. The windmill's sails have a diameter of 10 meters and it produces 22 kilowatts. Three more mills are in production, one of which, with sails 15 meters in diameter, will produce 50 KW.

In June Spain's fourth electrosolar power station, "Cesa-1" went into operation, with a power of 1200 kilowatts and at a cost of an estimated 2000m. pesetas (about \$12.6 million). The project, supported by the Ministry of Industry, is aimed at demonstrating the potential of the technology, which is entirely Spanish.

Solar technology is also expected to supplement conventional heating systems to produce heat and hot water for Madrid's buildings. The Centro de Estudios de la Energia, under the Ministry of Industry, is planning the project and hopes to introduce the system in Madrid by 1987. Besides saving imported oil and other fuels, the solar project is also expected to reduce Madrid's heavy winter air pollution.

Spanish Agency for American Airlines

American Airlines has opened agencies in Madrid (Edificio Parking Despacho 57, Plaza de los Mostenses, s/n) and Barcelona (Balmes 152, 5-3).

**We've made it easier
to be successful...
in Spain, South America,
the World...**

BANCO HISPANO AMERICANO NEW YORK BRANCH

Located in the heart of one of the world's
foremost financial centers

Doing business anywhere depends on business-like advice and up-to-date information, the kind only a strong European bank with over three-quarters of a century of experience in domestic and international banking can provide.

Founded in 1900, Banco Hispano Americano has that expertise.

As one of Spain's largest banks, with deposits of over \$11 billion, Banco Hispano Americano has an information gathering network of international scope with a host of worldwide offices in addition to over 1,300 branches in Spain.

BANCO HISPANO AMERICANO

Your success is our business

New York Branch
Olympic Towers
645 Fifth Avenue
New York, N.Y. 10022
Tel: (212) 486-8170

International Headquarters
Banco Hispano Americano
Marques de Villamagna 3
Madrid, Spain
Tel: 435-8440



NEWS IN BRIEF

(CONTINUED FROM PAGE 34)

Received: The Journal of Commerce Directory of U.S. Importers, 1984/85

The Chamber has received a copy of the new edition of this directory, a 1308-page volume listing some 25,000 U.S. importers, with managers' names and titles, the products they import, where the products come from, and in many cases the dollar volume involved. In addition, it lists more than 2500 imported products and commodities, identifying all known importers of each one. A new section explains U.S. Customs rules and procedures; another lists world ports with names, addresses, and telephone numbers. Other features are a list of international banks which provide import financing, trade associations offering trade-related services, and U.S. consulates of major trading nations with names of their trade officials.

The directory, priced at \$225.00, may be ordered from the Journal of Commerce, 445 Marshall Street, Philipsburg, New Jersey 08865.

International Cultural and Trade Center to Open in Washington in 1988



Above is a model of the International Cultural and Trade Center which will open along the Washington D.C. waterfront in 1988. The center will showcase international culture, history and business. It will include a World Exposition Center, featuring exhibits and performances; an International Trade Center, a major meeting place for the world's business people and government offices; and International Education Center, providing information resources; and an International Bazaar, featuring foods and other products from around the world.

The center is part of a development effort of the Greater Washington area which has resulted in substantial increases in the space in Washington occupied by large wholesale and industrial firms as well as major redevelopment and capital improvement programs.

IMMIGRATION CONSIDERATIONS IN EMPLOYING ALIENS IN THE U.S.

(CONTINUED FROM PAGE 30)

to U.S. subsidiaries or affiliate corporations is the L-1 intra-company transferee visa. A primary requirement for an L-1 visa is employment by the employer or its affiliate or subsidiary for the one year immediately preceding application for admission to the U.S. in a capacity that is managerial, executive, or involves specialized knowledge. The alien must be seeking to enter the U.S. to continue to render his services for the same employer, subsidiary, or affiliate in the same capacity, and the employment must be intended for a temporary period.

TEMPORARY WORKERS (H-1, H-2 and H-3)

A group of visas is available for various aliens who will be employed in the U.S. as temporary workers. H-1 status is available to aliens who are members of the professions or who are of distinguished merit and ability, coming to the U.S. to temporarily perform services of an exceptional nature which require such merit and ability. For determining whether an occupation is a "profession," the Immigration Service considers whether the attainment of an educational degree equivalent to at least a bachelor's degree in the U.S. is a prerequisite to the performance of the duties and for entry into the profession.

The H-2 visa category for ordinary workers can be obtained only after complying with the lengthy labor certification process. In order to establish eligibility, the employer must show that unemployed persons capable of performing the services cannot be found in this country.

The last temporary classification is for temporary trainees (H-3). H-3 visas are available to aliens coming to the U.S. temporarily to receive training in any field or endeavor. The employer must establish that the training is temporary and that a planned training program exists. The Immigration and Naturalization Service considers factors such as the proportion of time allocated to incidental involvement in production, the unavailability of such training in the alien's country, the need and utility of such training, and whether the trainee will displace a U.S. worker. The proposed training cannot be unrealistically excessive in length, repetitive, or consist primarily of on-the-job experience.

To assure that intended employment of aliens in the U.S. will comply with immigration requirements, thought must be given to the appropriate classification prior to employing the individual in the U.S. Even the simplest visas require adequate time (six to eight weeks) for processing by the Immigration and Naturalization Service. Success in obtaining these visas is best achieved by thoughtful preparation and consideration of the appropriate visa well in advance of the intended employment of the alien. □

Spain's Exports to the U.S., Jan.-Aug. 1983

In this tabulation, using statistics from the U.S. Department of Commerce, the first column gives Spain's exports to the United States from January 1st through August 31st, 1983, in thousands of dollars. The second column gives the percentage of variation from the same period of 1982. Column 3 indicates the percentage of total exports represented by the group.

	1	2	3		1	2	3
FOOD PRODUCTS	106,734	-18.2	11.00	38. Nonferrous metals	10,140	+68.0	
1. Fish and seafood, except preserved	2,960	-72.1		39. Wire, without electrical insulation	8,279	-35.0	
2. Fish and seafood, preserved	7,069	-4.2		40. Screws, nails, rivets etc. of iron, steel or copper	6,494	-18.8	
3. Marmalades and preserved fruits	10,059	+30.8		41. Hand tools	15,436	+152.7	
4. Vegetables, preserved or prepared, including olives	65,876	-12.9		42. Household utensils of common metals	7,581	+90.0	
5. Sweets with a sugar base which do not contain cocoa	5,514	+7.4		43. Metal manufactures, unspecified	8,800	+10.6	
6. Paprika	5,077	+53.9		MACHINERY, TRANSPORTATION EQUIPMENT	142,798	-26.1	14.71
7. Food preparations, unspecified	1,892	-1.1		44. Non-electric generators & parts	3,297	-24.6	
BEVERAGES AND TOBACCO	41,014	+12.9	4.23	45. Agricultural machinery & parts	1,353	-74.1	
8. Table wines and Sherry	31,463	+27.1		46. Office machinery & parts	30,339	-44.0	
9. Sangria	4,399	-23.1		47. Metalworking machinery	9,153	-49.0	
10. Brandies and similar	4,591	-5.5		48. Textile and leather machinery	4,004	+120.7	
11. Processed tobacco	49	-89.1		49. Industrial machinery	2,708	+5.3	
12. Unprocessed tobacco, residues	369	-15.0		50. Machinery and apparatus, unspecified, and parts	11,659	-16.3	
RAW MATERIALS, INEDIBLE, EXCEPT PETROLEUM AND OTHER				51. Electric generators, commutators and parts	4,236	+0.1	
VEGETABLE PRODUCTS	17,547	+21.5	1.81	52. Domestic electric appliances & parts	3,000	-2.2	
13. Fluorspar	1,718	-36.5		53. Transportation equipment	58,660	-21.1	
14. Raw materials of animal origin	669	-32.2		53a. Parts and accessories for tractors, vehicles & motors	32,619	-26.7	
15. Gums, resins and natural lacquers	4,234	+16.4		53b. Motorcycles and parts	338	-25.9	
16. Flowers, bulbs, foliage etc. for decoration	523	+12.5		53c. Aircraft	13,004	+21.3	
17. Gypsum, plaster etc.	3,869	+354.1		53d. Supplies for aircraft and ships, unspecified	5,957	-2.6	
18. Other crude vegetable materials	2,654	-17.0		54. Electrical machinery and apparatus, unspecified, and parts	8,046	+109.5	
PETROLEUM PRODUCTS AND LUBRICANTS	23,459	-20.5	2.42	MANUFACTURED CONSUMER PRODUCTS	264,662	+11.5	27.27
19. Heavy petroleum	17	—		55. Lamps and parts	4,144	+7.7	
20. Lubricating oils and greases, hydrocarbons	18,224	+35.7		56. Furniture	7,627	-10.2	
OILS AND FATS, ANIMAL AND VEGETABLE	20,534	+106.4	2.12	57. Luggage and handbags	4,616	+2.9	
21. Olive oil	9,540	-3.3		58. Textile manufactures	906	-46.2	
CHEMICAL PRODUCTS	62,501	+27.3	6.44	59. Leather manufactures & accessories	2,523	+6.1	
22. Organic chemical products	24,114	+53.2		60. Knitwear manufactures and accessories	2,929	+45.1	
23. Inorganic chemical products	26,204	+76.2		61. Footwear	173,086	+5.2	
24. Essential oils & perfume materials	9,125	+30.3		62. Printed matter	13,360	—	
25. Soaps and detergents	1,202	-11.0		63. Toys and sporting goods	8,386	+21.6	
MANUFACTURES AND SEMI-MANUFACTURES	274,703	-19.3	28.30	64. Arms and parts, except revolvers and pistols	2,421	-11.3	
26. Hides, leathers & their manufactures	7,807	-86.2		65. Objects of art and antiques	14,825	+70.4	
27. Tires	24,873	+32.7		66. Jewelry and costume jewelry	9,058	+60.9	
28. Manufactures of wood and cork	3,597	+7.2		67. Other manufactures, unspecified	2,123	-25.8	
29. Articles of paper and cardboard	4,587	+17.2		OTHER PRODUCTS, UNCLASSIFIED	16,632	-22.9	1.70
30. Thread and yarns	2,982	+12.0		68. Special transactions, unclassified	13,984	-4.5	
31. Bed and table linen, towels etc	3,277	+155.8		69. Arms of war, including revolvers, pistols and ammunition	1,567	-65.6	
32. Fabrics of wool	622	-26.2		70. Estimated value of imports in lots valued at under \$251.00	1,078	-1.4	
33. Lime, cement and other construction materials, except tiles	21,046	+180.6		TOTAL EXPORTS, SPAIN-U.S.	970,581	-8.6	
34. Tiles	9,503	+43.2					
35. Articles of crystal and glass	4,540	+56.8					
36. Articles of pottery	9,362	-17.7					
37. Iron and steel in bars, sheets etc.	113,780	-47.9					

Business Opportunities

Spanish Products Offered

Parts and/or accessories for automobiles:

Mabaco, S.A.
Paseo de la Castellana, 268, 1-A
Madrid-16

Tools for the jewelry industry:

Sr.D. E. Solé
Quimijoy, S.A.
Malats, 6-8
Barcelona-16

Products for water treatment; chemical products for swimming pools:

Sr.D. Carlos J. Vinageras
Aquatronic, S.A.
Grases, 22 Bajos
Barcelona-4

Honey and its variations:

Cerapicola Moreno, S.L.
Carretera Alborache-Silla,
Km. 9.4
Turis (Valencia)

Marble:

Sr.D. José García Moya
Carretera Madrid, Km. 390
Monforte del Cid (Alicante)

Ceramics:

Sr.D. José Esteve Navarro
Manager
Grupexma
San Edesio, 5, 1°
Apartado de Correos 101
Manises (Valencia)

Seeks distributors for machinery for the mechanization of glass:

Industrias Techno-Flex, S.A.
Santa Teresa, 11
Rubí (Barcelona)

Carpeting:

Francisco Gómez Espinosa,
Director-Gerente
S.A. Alfombras Textiles
Cta. Murcia-Alicante, Km. 49.5
Crevillente (Alicante)

Office machines and supplies:

Sr.D. José Villalba
IDISA
C/ José Luján N° 1
Edificio "Mara"
El Palmar (Murcia)

Conveyor belt idler:

Sr.D. Fernando Rubio Zamarreño
SERCO
Ollerías Altas, 15
Bilbao-6

Rum; gin; vodka; creme de menthe, etc.:

Sr.D. A. D. Thompson
Director-Gerente
Destilerías Beltran, S.A.
Andén Poniente, 36
Mahon (Menorca)

Seeks representative to study technology, patents etc. of ball valves:

Sr.D. A. Zapata
Fundición y Forja, S.A.
Narciso Monturiol, 23-25
San Just Desvern (Barcelona)

Costume jewelry:

Oro y Hora
Rocafort, 123, pral. 1°
Barcelona

Forgeable and soldeable cast steel items:

Forjas Modularès, S.A.
Virgen de la Paz, 10 - 3°-5°
Torrente (Valencia)

Artistic sculptures in clay, bronze and other materials:

Sr.D. Juan Fernández Ruiz
Calle Hermosilla, 86, 6° E
Madrid-1

Foodstuffs:

Sr.D. Carlos Álvarez Galván
Coop. Viviendas Ntra. Sra. de la Esperanza
Edificio Teide, 8°-G
(Avda. Venezuela)
Santa Cruz de Tenerife

Electrical components:

Sr.D. Juan Jané Carrencia
Gerente
Enrique Garrell Alsina, S.A.
Apartado 10
Granollers (Barcelona)

Fittings for sewerage:

Sr.D. Alber Degá
Director Exportación
Hispano Europea de Griferías, S.A.
Carretera Laureá Miró, 33
P.O. Box 143
Sant Feliu de Llobregat
(Barcelona)

Colored garlic and onions:

Sr.D. Trinitario Mira Ruiz
Trinitario Mira Ruiz
Benejuzar (Alicante)

Ceramics: decorative, for construction, wall tiles, for paving:

Sr.D. José E. Valero
Intex, S.L.
P.O. Box 744
Valencia-2

Carpeting:

Sr.D. Francisco Candela
Gomez Sepulcre, S.A.L.
Carretera Murcia-Alicante,
Km. 94.5
Crevillente (Alicante)

Machinery in general; hardware; electronics; household appliances; valves:

Recopsa, S.A.
San Fernando, 139, Bajos
Sabadell (Barcelona)

Gypsums and plaster; paints and plastics:

Sr.D. L. Pagans
Serintec, S.A.
P.O. Box 358
Girona

Used army shirts and ladies dresses:

R. Fabrega, S.A.
c/ Escultor Llimona, s/n
Apartado 95
Gerona

Jewelry:

Sr.D. José E. Valero
Fábrica de Joyería en Oro y Plata
Carretera Torrente, 57
Chirvella (Valencia)

Glass bottles for the perfume industry:

Sr.D. Miguel A. Cuñado
DAXO International, S.A.
Avda. Diagonal, 523
Barcelona-29

Textiles:

Linotex, S.A.
Catedrático Mercer, 10
Algemesi (Valencia)

Refractory products:

Abaltex, S.A.
Infanta Carlota, 100-102
Barcelona-29

Leather pocketbooks and wicker products:

Sr.D. F. Zaeragesi
Franzara, S.A.
Calle Estación, 1 y 3
Apartado 4
Gata de Gorgos (Alicante)

Saffron:

José Bargas Acadio
D. Pedro No. 33
P.O. Box 82
Villarobledo (Albacete)

Machinery for public works:

Talleres Luna, S.A.
Zona Industrial
Apartado 115
Huesca

Machinery for manufacturing of metal containers:

Ribeiro International
Náñez de Balboa, 99 2° G
Madrid-6

Built homes in Alicante, Playa de la Albufera:

Vistamar, S.A.
Avda. Villajoyosa, 101
Albufera (Alicante)

Wines:

Cuvillo & Co.
P.O. Box 63
Puerto de Santa María (Cádiz)

Heating resistors used for the heating and cooling industry, with electrical energy:

Electricfor, S.A.
Can Alzamora, 34
Rufí (Barcelona)

Orthopedic soles for shoes:

Gipu-Daro, S.A.
San Gervasio de Cassolas, 37-39
Despacho 8
Barcelona-22

Technical books:

Enciclopedia Tecnológica
Arancelaria, S.A.
c/ Sotomayor, 11
Apartado 46.008
Madrid-3

Blankets and bedspreads:

Manufacturas Haro, S.A.
Pl. Pintor Segrelles, 1 Esc. A
Valencia-7

Cosmetics; fishing poles:

Federico Ferrer, S.A.
Administración y Ventas
Calle de Francesc Layret, 104
Badalona (Barcelona)

Specialists in automobile spare parts:

Neumarsa-Export
c/ Urgel, 37
Barcelona-11

Embroidered girl's dresses; style smock:

Sra.D. Irene Alagón Río
P° de Fernando el Católico,
16 - 5°
Zaragoza-9

Seeks exclusive representative for forgeable stainless steel and special steel parts:

Sr.D. Joaquín Amat Royo
Fundición J. Guillo, S.A.
Narciso Monturiol, 23-25
San Justo Desvern (Barcelona)

Seeks agents for decorative ceramics for construction:

Sr.D. José E. Valero, Gerente
Intex, S.L.
P.O. Box 744
Pérez Bayer, 11, 1°
Valencia-2

Blankets:

Tefesa Mantas
Polígono Industrial "El Regadiu"
P.O. Box 15
Bacairente (Valencia)

Seeks distributors of Model RA 70 Radius and Angle Profiling Device:

Talleres Navarro
Avenida San Antonio
Ma. Claret, 416-418
Barcelona-27

Representative of food products; dietetic; chocolates; cookies; olive oil; sunflower oil; canned vegetables:

Sr.D. Miguel Verdura
Director
Mivesa Export
Aragó, 272, 7e - 1°
Barcelona-7

Green and yellow soybeans:

Fruits Mollá
Avda. José Cerdá, 111
Canals (Valencia)

Seeks representative for spindles for machinery:

Sr.D. Javier Lujambio
Agumex
Aguirre Miramon, 2
Camin-E
San Sebastián-2

Slates; marble; cork:

Granimarmol, S.A.
Comandante Zorita, 13
Despacho 512
Madrid-20

Books:

Sra. Carmen Vilaseca
Secretaría Ejecutiva
WFE Interindex
c/ Muntaner, 479-483
S. Atico 1°
Barcelona-21

Sun glasses and their frames; other optical products:

Sr.D. Alejandro Llopis
Managing Director
Yodel Internacional, S.A.
Dr. Fleming, 51
Madrid-16

Oportunidades Comerciales

Productos españoles solicitados

Calzado:

Mr. J. D. Martinez
J. D. Martinez Import-Export
RFD-01 Buzón 4710
Sector Rabanos
Manatí, Puerto Rico 00701

Abrigos y artículos de piel:

Jannoss Discount
680 Manhattan Avenue
Brooklyn, NY 11222

Attn: Mr. Richard Januck

Flores:

Ms. Lucy Culkowski
Lucy's Embridal Shop
101-3 Riveredge Drive
Richmond, Texas 17469

Bridas y collares de acero de carbono:

Midwood Industries
333 New Hudy Park Road
North Hills, NY 11042

Piedras y metales preciosos:

Mr. Jimmie Shaw
Jimmie Shaw Import-Export
900 4th Avenue So. No. 205A
Minneapolis, MN 55404

Grapadoras para papel:

Mr. Joe Davis
Globe Office Supply Co., Inc.
568 Broadway
New York, NY 10012

Calzado y telas para cortinas:

Mr. Kern Balani
Balani International Inc.
64 West 36 Street, 3rd Floor
New York, NY 10018

Electrodomésticos y muebles:

Mr. José Heisner
P.O. Box 3743
New York, NY 10185

Artículos de regalo y artesanía:

Mr. David M. Flom
Flom Imports
7500 West 84th Way, No. 1407
Arvada, Colorado 80003

Herramientas de jardín; artículos de regalo; relojes; juguetes y juegos; ornamentos de Navidad; cuberterías y cuchillería; marcos para cuadros; joyería; cajas a música; menaje de cocina; ropa de todas clases; cintas; pañuelos y bolsos de piel, etc.

Mr. Lawrence F. Bohon
Trans World Marketing Co.
R.D. No. 1, P.O. Box 60
Richmond, Vermont 05477

Calzado:

Mr. José Correa
144-24 37th Avenue
Flushing, NY 11354

Ropa interior para señora (bragas de algodón):

Mr. Fred Segal
Inner Secrets, Inc.
1500 Hudson Street, Bldg. 5D
Hoboken, NJ 07030

Equipos de maquinaria; productos químicos; material de construcción; productos alimenticios; equipo médico; artículos de regalo; etc.:

Kasuku International, Inc.
P.O. Box 2276
Anaheim, CA 92804-0276

Productos farmacéuticos:

Mr. Mark Tulin, Corp. Secretary
The Perma-Type Co., Inc.
P.O. Box 448
Farmington, CT 06032

Envases de cristal y jarras para cocina:

Mr. Arnold
Case Manufacturing Co., Inc.
179 Saw Mill River Road
Yonkers, NY 10701

Maquinaria textil:

Ms. Zelsa
Rex International
127 West 25 Street
New York, N.Y. 10001

Cuchillas industriales:

M. K. Supply Corporation
185 Bank Street
Midland Park, NJ 07432

Ordenadores y servicios de informática:

Mr. Charles A. Bello
P-Stat, Inc.
P.O. Box AH
Princeton, NJ 08540

Artículos de regalo:

Mr. M. E. Holloway
Import-Export
P.O. Box 1667
Tahlequah, Oklahoma 74464

Artículos de regalo:

Mr. Antonio DaCosta, Jr.
Tony's What-Nots
P.O. Box 222
Lehighton, PA 18235

Calzado:

Mrs. Cheryl L. G. Javadi
4834 Bradley Blvd.
Chevy Chase, Maryland 20815

Setas y calamares:

Mr. Ben Chiu
New York Trading Inc.
102-106 Bowery
New York, N.Y. 10013

Textiles para la confección:

Mr. Niccooley
Modetez
488 Seventh Avenue
New York, N.Y. 10018

Especies y sardinas:

Asia Commodity Credit Corp.
90-13 178th Street
Jamaica, NY 11432
Attn: Mr. Reggie Hechanova

Compresores para escavaciones de petróleo:

Mr. C. Roy Josephs, President
Sentinel Equipment, Inc.
5116 Northeast Parkway
Ft. Worth, Texas 76106

Importación en general:

Mr. Dale McLin
Regional Services
3702 Atherstone
Cleveland Heights, Ohio 44121

Muebles antiguos:

Mr. Kevin R. Bagnasco
Vice President
Avanti Furniture Corp.
497 Main Street
Farmingdale, NY 11735

Telas de plásticos para tapicería:

Mr. Peter M. Verdi
Rattan Dept.
The Otto Gerdau Co.
82 Wall Street
New York, NY 10005

Productos farmacéuticos:

Mr. J. J. Pohler
J & J Pohler
Keystone Biscayne Blvd.
Suite 970
North Miami, Florida 33181

Cerámicas; artículos de piel; artículos de regalo y tocador:

Ms. Evelyn Santos de la Cruz
Tasson Industries, Ltd.
2 Quaker Bridge Road
Croton-on-the-Hudson, NY 10520

Posters de viaje:

Mr. Mark L. Griffin
Wide World Travel Poster
29 Flint Road
Watertown, MA 02172

Calentadores de agua de gas y dulce de membrillo:

Mr. Manuel Lameiro
407 North 5th Street
Harrison, NJ 07029

Artículos religiosos:

Mr. Benito Barba
Sevilla Grocery é Novelty Store
79-11 Roosevelt Avenue
Jackson Heights, NY 11372

Muebles de mimbre y junco; tapices; cerámica; artículos de madera para decoración; artículos de regalo:

Mr. Ed Sklar
Executive Vice President
Lancaster & Associates, Inc.
7300 North Federal Highway
Suites 203-205
Boca Raton, Florida 33431

Maquinaria textil para hacer lazos:

Mr. Clayton Bogert
President
IMD North America, Inc.
20845 Ramita Tr.
Boca Raton, Florida 33433

Posters; libros; grabados artísticos; artículos de regalo, etc.:

Ms. Patricia Wayant
Creative Dept.
Blue Mountain Arts, Inc.
P.O. Box 4549
Boulder, Colorado 80306

EXPORTER OF LIVESTOCK AND FARM EQUIPMENT SEEKS REPRESENTATIVE

to finance in Pesetas. These interested please contact:
Ana María Valero Moya, Avda. Felipe II, 18 4º Izda, Madrid-9

José Sagrista Retires from Iberia

Iberia Airlines has announced the retirement of José Sagrista after 41 years of service with the airlines. Mr. Sagrista joined Iberia in Madrid in 1942, and in 1948 he was selected to open Iberia's delegation in Puerto Rico, where he was General Manager through 1954. In that year he was selected to officially open Iberia's delegation in the United States. From 1954 through 1968 he was General Manager for the U.S. and Canada. Mr. Sagrista has also served as an officer and director of the Chamber.

Mr. Sagrista's plans to reside in Madrid but will continue to visit the United States, and will devote more time to personal interests which include painting and literature.



CURRENT LEGISLATION IN SPAIN

(CONTINUED FROM PAGE 29)

by Don José María Ruiz Gallardón on behalf of 55 Deputies, against Law 8/83 of May 19, 1983, of the Basque country (OSG Oct. 5, 1983).

2. Constitutional Court. Petition for declaration of unconstitutionality number 470/83 (OSG Oct. 10, 1983).

3. Constitutional Court. Petition for declaration of unconstitutionality number 673/83 (OSG Oct. 28, 1983).

GENERAL

1. Presidency of the Government. Royal Decree 2690/83 of Oct. 13, 1983, partially amending the regulations on the motor vehicles compulsory insurance approved by Decree 3787/64 of November 19, 1964 (OSG Oct. 22, 1983).

2. Ministry of Economy and Finance. Order of Oct. 14, 1983, adapting the insurance rates approved by Order of July 30, 1980 to the new coverages

established by Royal Decree 2690/83 of Oct. 13, 1983 (OSG Oct. 22, 1983).

Law 13/83 of Oct. 24, 1983, amending the Civil Code system on guardianship (OSG Oct. 26, 1983).

This Law amends titles IX and X of the First Book of the Civil Code, which regulates the guardianship of the person and/or property of those who, not being under the parental authority, are incapable of taking care of themselves, as well as the constitution and method of procedure of the Family Council.

Trust us with your overnight shipment to Spain and South America

Choice Air International's personalized service philosophy

When you contact Choice Air International anywhere in the world, you're dealing with people. People you can trust.

Because the people at Choice understand the importance of your shipment, we have created a fully integrated network of member offices to provide you with the efficient, secure courier service you would expect from people you trust.



NEW YORK
(212) 683-2626

MADRID
246-3613

NATIONWIDE
(800) 223-5779

BARCELONA
243-2201

MEMBER PROFILE: OLARRA WINES OF RIOJA

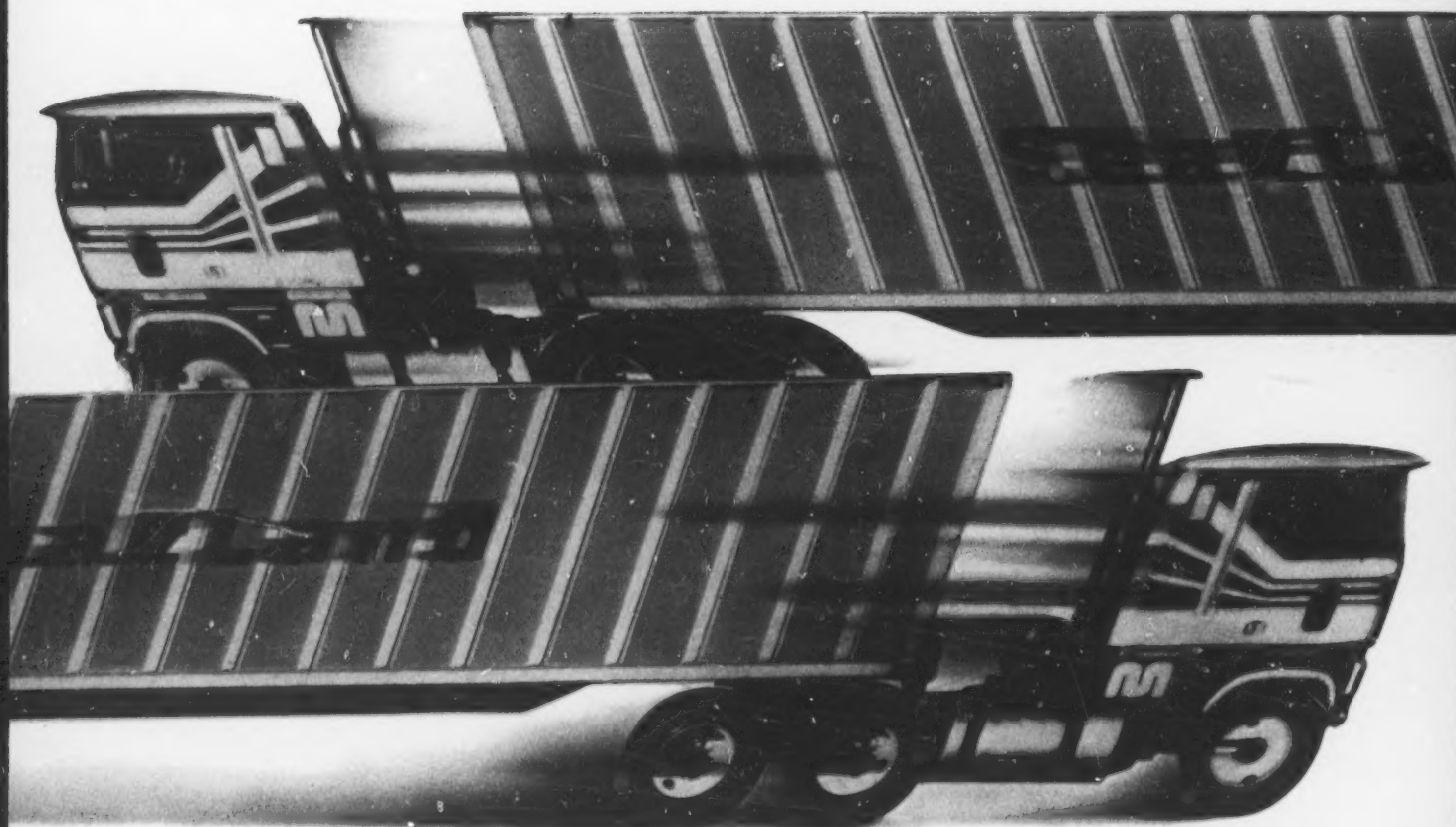
(CONTINUED FROM PAGE 22)

"We've cut one link in the usual distribution chain," says Die. "Generally wines are brought into the U.S. by a single large importer, who then ships to distributors around the country. In that system, the retailer or restaurant is the third step; in ours they are the second. This helps us in our pricing, increasing even more the value we can offer."

Finally, although the wine is totally Spanish, Olarra is determined to use American marketing methods to see that it gains recognition in what is potentially its largest market. It has retained a New York marketing and public relations firm, McGrath/Power Associates, Inc. The basic strategy is to position Olarra first of all as a wine of world stature — and secondarily as the finest from Rioja. The initial work has been to improve sales support materials and to reach leading wine writers and opinion leaders with wine tastings and news of Olarra's quality and growth. Advertising in key markets is being considered for the future.

"The job is to develop recognition for Olarra as a wine of world stature," says Die. "And the basic approach in its simplest terms is to persuade people to try the wine. Once that's done, the taste tells its own story."

Sea-Land. Fast in, Fast out.



When your drivers or truckers get tied up at a congested terminal, it can cost you time and money.

Here's how you can get around those expensive tie-ups: Ship via Sea-Land®

Nearly all Sea-Land terminals are exclusive—used for Sea-Land customers only. That's why you get in and out fast.

And the Sea-Land people handling your cargo are experienced professionals who help you get in and out even faster.

If you don't like being kept waiting, ship via Sea-Land. Call your Sea-Land representative today.

Sea-Land

What we did for shipping, we're doing for service.

Grand Class



How to relax as you fly.

This new symbol stands for the Grand Class of Iberia, International Airlines of Spain.

Everything in Grand Class is designed so that you will discover the ultimate pleasure of flying.

You'll enjoy superb service at all times. You will choose from gourmet menus and vintage wines, served in porcelain and crystal. You will be welcomed with a little gift and, at some airports, cared for in VIP lounges.

In Grand Class you ease into Iberia's new sleeper-seat, so spacious and comfortable that when you recline, it feels like a bed. So you fly in comfort and arrive totally relaxed.

For the ultimate in comfort, service and relaxation, fly Iberia's Grand Class.

IBERIA 
INTERNATIONAL AIRLINES OF SPAIN

The Spanish challenge.

4/17/84
A8955-1A



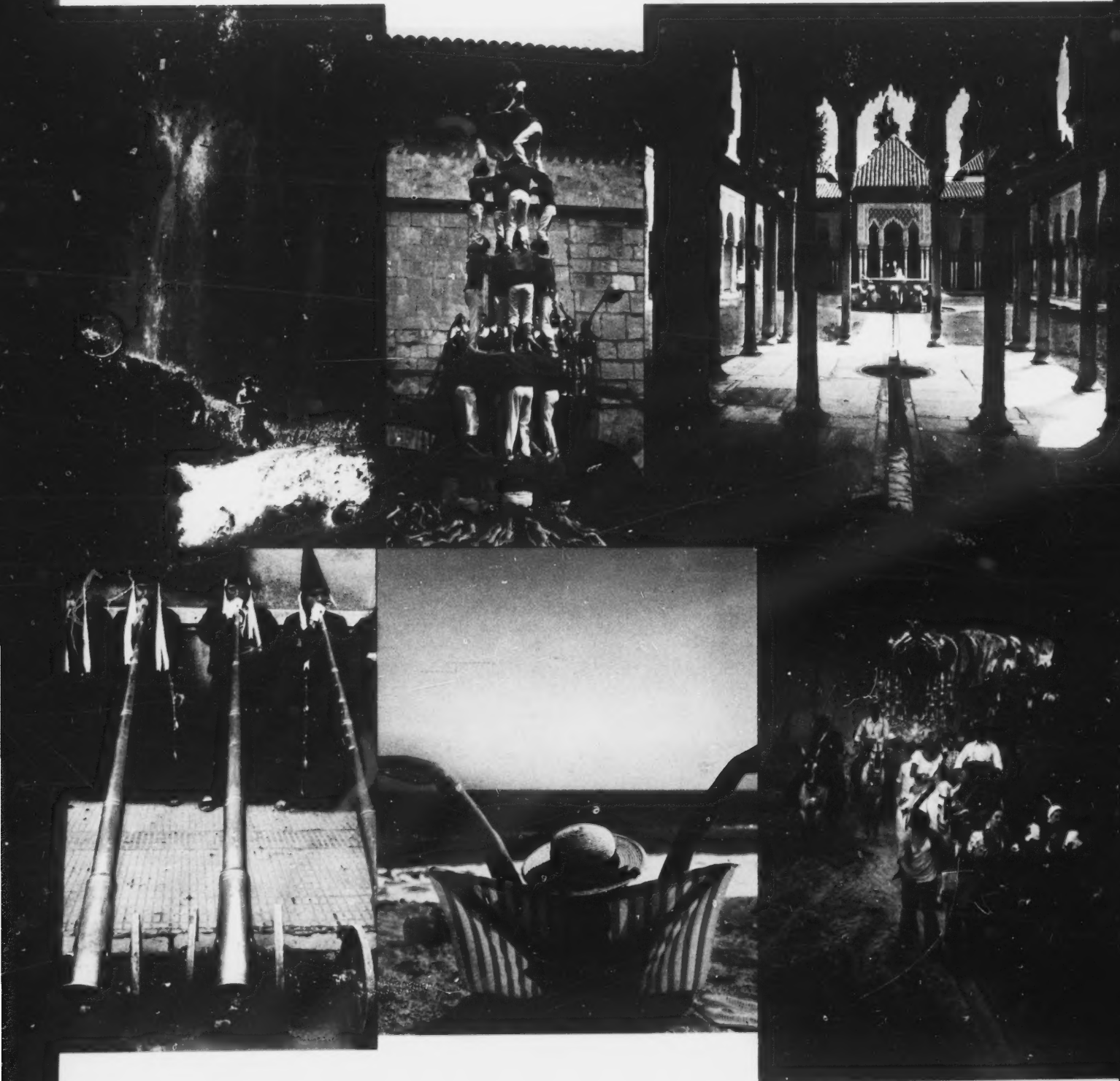
Spain U.S.

OFFICIAL PUBLICATION OF THE SPAIN-US CHAMBER OF COMMERCE

JANUARY-FEBRUARY, 1984

No. 132

We've got rhythm.



Join us. In Spain.

(Our 6-Month Events Calendar sets a lively pace.)

Even the seasons have a rhythm in Spain. Syncopated. Seductive. Always surprising.

From perfumed orange groves to mountain peaks, from golden beaches and secluded coves to our enchanted white villages and cosmopolitan cities—Spain dances all year long with an unsurpassed variety of things to do. *And* at prices to make you sing.

Whether you spend your vacation in a plush hotel or a fabled castle, it will cost irresistibly little. (And our remarkable exchange rate makes our shopping ever more inviting.)

Our beguiling color brochures and 6-Month Events Calendar will really set your feet tapping. Your travel agent will speed you on your way.

Dance with us.

Join hands in the spontaneous *sardana* before Barcelona's cathedral. Or to the rhythm of the Navarrese *jota* or a swirling *sevillana*. We always have room for two more!

Come watch us perform.

At our great international music and dance festivals. With ballet in the Alhambra's palace gardens or symphony in Santander. Jazz, opera as well as our special

operettas, called *zarzuelas*. Or classic drama in Merida's 2,000-year-old Roman theater.

Shout olé with us.

With March come the first bullfights and their dazzling pageantry. And, of course, the passionate flamenco brings cheers all year.

Catch our fire.

With the fireworks and *fallas* of Valencia, the bonfire festivals of the Balearic Islands and Alicante, the patio and horse fairs and *romerías* all over Andalucia, the shellfish fetes in Galicia and flower battles in Murcia.

Share our art.

From our museums' rich treasures of our classical greats—Velazquez, El Greco, Murillo, Goya—to our contemporary masters—Picasso, Miró, Dalí. Remember also, Spain is an architectural paradise with its Roman masterpieces, Romanesque structures of the north, Moorish treasures of the south, soaring Gothic cathedrals and exuberant Art Nouveau.

Spend Easter with us.

Incomparable color and drama mark the Holy Week processions from Seville to Valladolid to Cuenca and a hundred other cities across our land.

Golf, ski, sail, hunt, swim, ride.

Imagine schussing the Sierra Nevadas and golfing the Costa del Sol the same day! Tour the Pyrenees or Castile on horseback, sail in the Canaries. And, at night, partake of the nonstop nightlife of Spain's famed discos and casinos.



I want all Europe in a single country.

Please send me your array of colorful brochures plus your 6-Month Events Calendar for Spain. Just mail this coupon to the National Tourist Office of Spain at any of these addresses:

New York: 665 Fifth Ave., N.Y., N.Y. 10022.

Houston: 4800 The Galleria, 5085 Westheimer, Houston, TX 77056.

Chicago: 845 N. Michigan Ave., Chicago, IL 60611.

San Francisco: 1 Hallidie Plaza, San Francisco, CA 94102.

Name _____

Address _____

City _____

State _____ Zip _____

Spain. It's all Europe in a single country.

**We've made it easier
to be successful...
in Spain, South America,
the World...**

BANCO HISPANO AMERICANO NEW YORK BRANCH

Located in the heart of one of the world's
foremost financial centers

Doing business anywhere depends on business-like advice and up-to-date information, the kind only a strong European bank with over three-quarters of a century of experience in domestic and international banking can provide.

Founded in 1900, Banco Hispano Americano has that expertise.

As one of Spain's largest banks, with deposits of over \$11 billion, Banco Hispano Americano has an information gathering network of international scope with a host of worldwide offices in addition to over 1,300 branches in Spain.

BANCO HISPANO AMERICANO **Your success is our business**

New York Branch
Olympic Towers
645 Fifth Avenue
New York, N.Y. 10022
Tel: (212) 486-8170

International Headquarters
Banco Hispano Americano
Marques de Villamagna 3
Madrid, Spain
Tel: 435-8440



President

RICARDO JOVE
Amtraco Commodity Corporation

First Vice President

ANDREW D'ALESSANDRO
S.A.I.M.A., Inc.

Second Vice President

DAVID ASKREN
Chemical Bank

Treasurer

LUIS BONEL
Majorica Jewelry, Ltd.

Corporation Secretary

JOSE LUIS SAN PIO
J. & A. Garrigues

Honorary President

GABRIEL MANUECO
Ambassador of Spain, Washington, D.C.

Honorary Chairman

JOHN DAVIS LODGE
Former U.S. Ambassador to Spain

Honorary Vice President

FERNANDO R. PORRERO
Consul General of Spain in New York

Honorary Director

RAFAEL AGUILAR
Commercial Counselor of Spain, New York

Executive Director

MARIANO BAGUENA

Directors:

JOSE AMEIJIDE
José Ameijide, Inc.
FREDERICK ARCH
Spanish Book Corporation of America

HAROLD BARG
Schenley Affiliated Brands Corp.

LUIS BENITEZ DE LUGO
Banco de Santander

FRANCIS BESSENEY
J. Henry Schroder Bank & Trust Co.

S. ROBERT BREITBARTH
General Cable International, Inc.

WILLIAM BURNS
Costa Line Cargo Services, Inc.

JOEL T. CAMCHE
Hallinan & Camche

JOSEPH A. CARAGOL
Joseph Caragol, Inc.

JOHN E. CODINA
John E. Codina & Co.

ALFONSO GONZALEZ ESCALERA
Compañía Transatlántica Española

EDWARD G. HAYEK
Trans World Airlines Inc.

SAM LAREDO
Santillana Publishing Company

MANOEL A. LIMA
Avon Products, Inc.

CARLOS MENENDEZ
Irving Trust Company

JOHN A. OGILVIE
Ogilvie Taylor & Associates

PEDRO ORTIZ VALERO
Interchange Commercial Corp.

JOSE PECES PEREZAGUA
Banco Español de Crédito

FELIPE PROPPER DE CALLEJON
Wertheim & Company

VICENTE PUIG JR.
Vicente Puig & Co.

GEORGE H. P. ROBINS
Banco Urquijo, S.A.

CARLOS ROS
Banca Catalana

RAMON DE SARRIERA
Banco de Bilbao

RAYMOND E. C. SURGUY
Banco de Vizcaya

FREDERICK E. TETZELI
Morgan Guaranty Trust Co. of New York

Honorary Delegates in Spain

JESUS DE AZCARRETA
Palmer Import-Export, S.A.
Estébanez Calderón, 3 - 2º
Madrid-20

Tel: 270-45-34
Telex: 45589 PALM

JOSE MARIA CUCURELLA
Capsulas Metálicas, S.A.
Valencia, 101
Barcelona-11

Spain-U.S. Trade Bulletin

Spain-U.S. Chamber of Commerce, Inc. Cámara de Comercio Española en los Estados Unidos

500 FIFTH AVENUE, NEW YORK, N.Y. 10110 • (212) 354-7848
TELEX 960915 SPAIN US NYK • CABLE ADDRESS CAMACOES

JANUARY-FEBRUARY, 1984

No. 132

NEWS AND FEATURES:

- 4 **Reflections of a Spanish Businessman on the Current Situation in Spain**, by José A. Segurado, President of C.E.I.M.
- 13 **A Pragmatic Approach to Solving Problems**—an interview with Miguel Boyer, Minister of Economy and Finance of Spain, by J. Graham Carson, from *Institutional Investor*.
- 15 **Anti-inflationary Monetary Policy and Liberalization of the Banking System**—an interview with José Ramón Álvarez Rendueles, Governor of the Bank of Spain, by J. Graham Carson, from *Institutional Investor*.
- 19 **Is Spanish Industry Ready for the EEC?** by Dr. J. L. Sánchez-Izquierdo.
- 24 **Farrell Lines Selected to Test "Sea Shed" System for Handling Oversized Cargo.**
- 25 **Current Legislation in Spain**, prepared by J. & A. Garrigues, New York Office.
- 32 **Spain's Economic Health Improves But Imports Will Decline**, from *Business America*, U.S. Dept. of Commerce.
- 33 **The Golf Explosion on the Costa del Sol**, by Charles Ocheltree, National Tourist Office of Spain.
- 34 **The 1984 Calendar of Fairs and Exhibitions in Spain**, including contact address of sponsors.

DEPARTMENTS:

37. News in Brief
38. Spanish Products Offered
39. Productos españoles solicitados
40. Spain's Exports to the U.S.

January 1-November 30, 1983.

Executive Editor
Mariano Baguena

Editor
David O. Thomas

COVER: Golfers enjoy one of the Costa del Sol's sixteen golf courses. See story on page 33.

Published bi-monthly, copyright 1967, as a service to its members, by the Spain-U.S. Chamber of Commerce, Inc., a non-profit organization, 500 Fifth Avenue, New York, N.Y. 10110, telephone (212) 354-7848. Subscription rates: \$25.00 per year, U.S. and Canada; 2500 pesetas per year, Spain. Single copies \$5.00 each. Printed in the U.S.A.

By JOSE A. SEGURADO

President, C.E.I.M. (Confederación Empresarial Independiente de Madrid)

Reflections of a Spanish Businessman on the Current Situation in Spain

The government's economic activity is characterized by admirable declarations of intentions but an unfortunate absence of implementation. Mr. Segurado told a Chamber luncheon in his honor held at the St. Regis-Sheraton Hotel on December 15th.

IT IS AN HONOR for me to address you and express some ideas by a Spanish entrepreneur about the current reality of his country.

The deep satisfaction I feel at the moment is two-fold: First, institutional, as it is a major privilege for me to bring the voice of Madrid entrepreneurs to our sister town, New York. Second—strictly personal—for all of us who believe in freedom as one of the most valuable gifts of human beings, it is an unforgettable opportunity for me to address such an influential audience, within such an essentially free nation as the United States.

I am fully aware that you, better than I, are aware of the current financial situation and the problems it is causing us. This is why I am deliberately going to give a short, simple description which aims at briefly highlighting some important questions, so we may later delve more deeply into the matter, if you feel it desirable.

First of all, I am going to try to examine the activities of entrepreneurs in the face of two crucial events in Spanish life: Transition to a democratic system and the coming into power of the Spanish Socialist Workers Party.

Within the theme I have described, first of all our posture is unequivocal. As entrepreneurs we have clearly placed our bets for a consolidations of the democratic system in Spain, and have cooperated in this process.

We have done so in two ways: With our work as entrepreneurs, and in structuring corporate organizations, in addition to our public postures.

As entrepreneurs, we have contributed toward the transition by making our industries survive under a very difficult economic situation. We have complemented this activity by creating management organizations which have helped form the social structure which is so essential in a democratic system.



Mr. Segurado (left) with Chamber President Ricardo Jove.

In the communications media, as company leaders we have always given ample evidence of how we support democracy and its institutions. We have made these declarations during very difficult moments, such as for example following the attempted coup on February 23rd, 1981. Seconds after the Congress was assaulted, the chairman of the CEOE, the organization of Spanish entrepreneurs, and the chairman of CEIM, whose privilege it is now to address you, publicly expressed their support of the democratic system instituted by the Constitution and Crown.

This is the road we have chosen—that of a Western democracy which respects the liberties of Spaniards and creates a suitable setting for a peaceful communal life for us all. We know the road is not easy and that all experts say that at least one generation must elapse before democracy can definitely be consolidated. Even so, and notwithstanding all these difficulties, the grand example of maturity and serenity the Spanish people are giving from day to day makes us confident in the future.

The coming into power of the Socialist Workers

Chamber President Jove Introduces Mr. Segurado

In welcoming Mr. José Antonio Segurado, I must say at the outset that he is no stranger to the Chamber. In fact, he is an old friend and has been with us on at least two previous occasions. He visited us together with Mr. Carlos Ferrer Salat, the president of the C.E.O.E., the national organization of Spanish businessmen, to talk about the investment climate in Spain.

It is refreshing to have as our guest a businessman. This year we have had a succession of members of administrations, both the Spanish and the American. What they had to say was very interesting; but you always have to remember that as soon as someone becomes a member of an administration, what he can say becomes automatically limited. No matter how good his intentions or how outspoken he may have been as a private citizen, when he takes office he is on the defensive. He is speaking for the administration, and he has to be careful that what he says won't embarrass or offend anyone—especially the administration he represents. Not only can he not tell the whole truth, but he may not even know the whole truth.

Even we businessmen, of course, don't know the whole truth. But we are more free to express what we do know. We don't have the responsibility for formulating government policy, but it is we who feel the effects of government policy most directly. The government administrator may be the doctor who prescribes the pill, but it is the

businessman who takes the pill and suffers the consequences, good or bad.

Mr. Segurado is in the front rank of Spanish businessmen, in the best position to know at first hand which Spanish economic policies are working and which are not. He has the advantage of being not only the head of a business organization, SEFISA—Entidad de Financiación, S.A., but the president of the organization of Madrid businessmen, C.E.I.M.—the Confederación Empresarial Independiente de Madrid. He is a founding member of the national confederation, C.E.O.E., and a member of that organization's board and executive committee. In addition to that, he is a member of the executive committee of the Trilateral Commission and a member of the executive committee of the Consejo Interamericano de Comercio y Producción—the Inter-American Council of Commerce and Production. He is also a member of various other business organizations. He studied law and economics at the Universities of Deusto and Madrid. In addition to these accomplishments, he is married and the father of four children.

We have heard from some members of the younger generation of Spanish government leaders. Now we will hear from a member of the younger generation of Spanish business leaders, one of the men from whom we will be hearing a great deal more in the future.

Party is yet another example of this maturity. Spaniards received the results of the last elections with admirable calm, which was implemented by impeccable behavior by all the nation's institutions, and of course by our people.

It was a historic event. The socialists won the backing of ten million Spaniards who had faith in this alternative. In addition, the liberal-conservative coalition, represented by the Alianza Popular (Popular Coalition) was clearly highlighted, with over five million votes, as the major force of the opposition.

What was the entrepreneurs' attitude? Quite simple: To accept democratically the results of the polling stations and congratulated the PSOE (Socialist Workers Party) for its success, and the Popular Coalition for the results it had obtained.

Prior to this, the Independent Entrepreneurs' Confederation of Madrid, of which I have the honor of being chairman, had engaged in a campaign among communications media where, from an economic point of view, it had affirmed that the socialist alter-

native was the worst democratic solution for the problems that Spain was facing.

We had good reasons for making such a statement. In our opinion, the socialist program dug deep into the errors that had been committed until then in Spain's economy, and introduced new measures which had already proved a failure in other countries.

We were especially concerned because they wanted to apply a policy of boosting public expenditure and raising the tax burden, yet maintaining a sharp public deficit. We were not indifferent, either, to the question of an international alignment incoherent with our membership in the Western democratic world; or that, in a Utopian manner, the party promised it would create 800,000 new jobs during its four year legislative term.

We expressed our opinion on these questions at the time, and presented them in writing. We did so before the elections were held, and also affirmed that our sincerest wish was that our pessimistic forecasts would prove mistaken, because what we wanted

above all else was the best for Spain.

From then on, as entrepreneurs we have continued working, we have regularly expressed our opinions about the progress of our economy, and, I would like to add, we have continued to be coherent in an old idea: Democracy needs its representative collectives and also needs these to clearly express what they are thinking at each moment, as one of the best contributions they can offer to the progress of their nation.

A few days ago, it was the anniversary of the coming into power of the P.S.O.E. Important decisions have been made during this period, which have influenced the evolution of Spain's economy. It would be an abuse of your kindness to list the major ones, but I would like to comment on some general ideas which in my opinion illustrate what is happening in my country.

"The intentions that the President so clearly expressed have not been accompanied in their implementation by specific measures."

Following the elections of October 28th, Spain found itself with a President of Government, or Prime Minister, Felipe González, who is a young man, an excellent speaker, and tunes in very well with the desires of his people. This President proclaimed a threefold message: More radical liberties, improve society, and a desire for everything to work better. It is quite unnecessary to emphasize that many of us Spanish entrepreneurs could also assume these three points.

Throughout these year that the executive has held power, the President of the Government has proclaimed his highly sensitive feelings and made historic statements for a socialist president which, in the face of the realities with which he is faced, are quite aloof of the lines fixed in his actual program.

I am going to summarize some of these statements on economic questions:

- "Unless there is flexibilization in the work force, there cannot be employment."
- The Social Security must be reformed."
- Restrain public expenditure."
- Defend and promote private enterprise."

He also enforced his realism in international affairs. During the visit Felipe González paid to the United States, he said to President Ronald Reagan, "If only



José A. Segurado at the podium during the December 15th luncheon. Behind him on the dais are (L to R) Ambassador Angier Biddle Duke and Ambassador Fernando R. Porrero, Consul General of Spain in New York.

the Spanish people could understand the advantages of remaining in the NATO." This phrase is not an isolated fact. During his trip to Germany, President González gave evidence of how he appreciated the implantation of missiles.

I fully realize that on other international trips and attitudes, perhaps because of the poor evaluation made by his collaborators, results were not good and have engendered confusions, but even so I consider the balance is a positive one.

Parallel to this presidential activity, a paradoxical event has taken place. The intentions that the President so clearly expressed have not been accompanied in their implementation by specific measures.

When at CEIM we want to summarize briefly our government's economic activity, we make quite a graphic distinction. We speak of a policy of gestures and a policy of facts.

The first has its translation in certain splendid declarations of intentions, and an exquisite courtesy towards corporate planning.

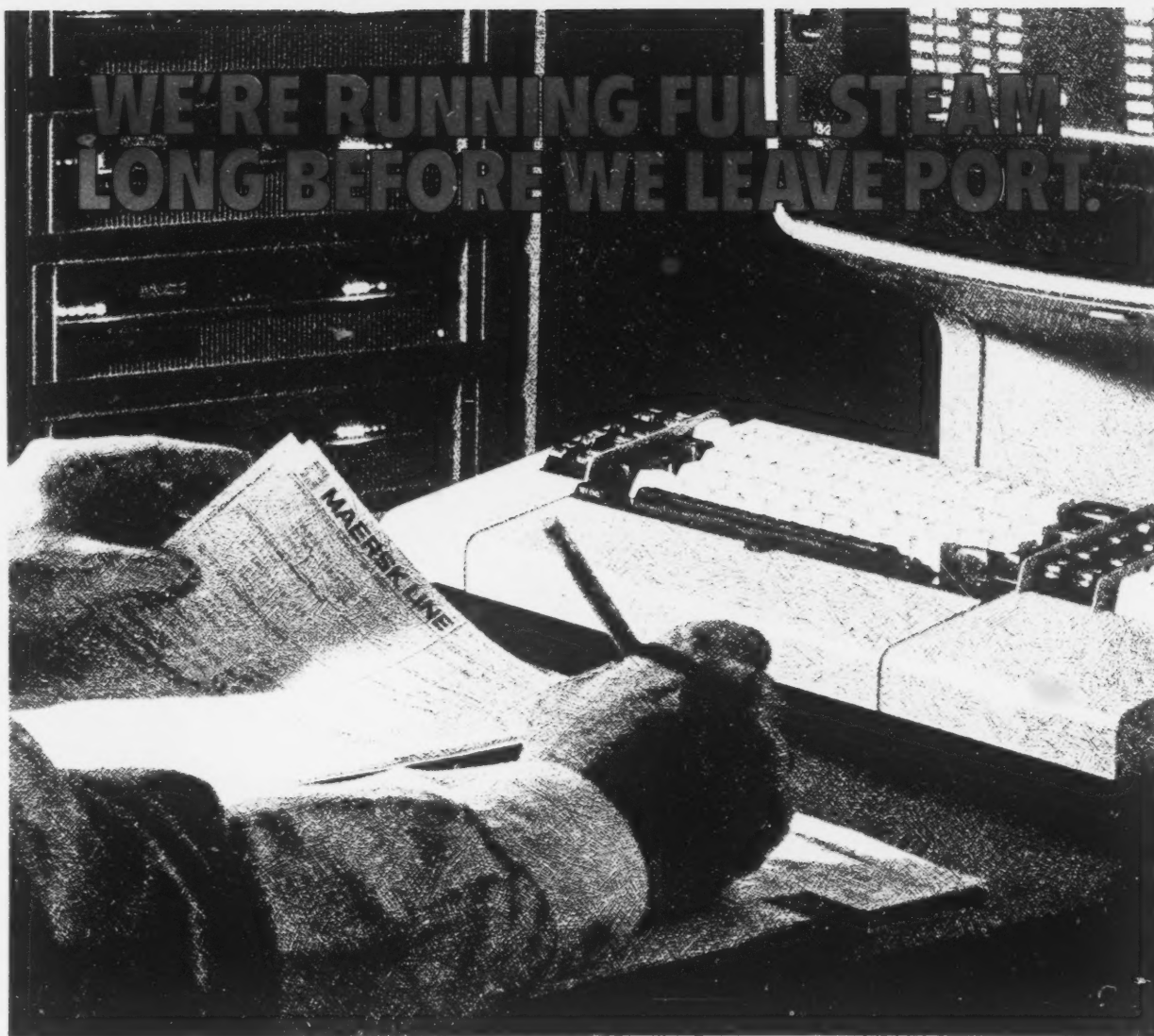
The second is unfortunately not coherent, as the arguments employed are not put into practice. Speaking more clearly: There are not legal dispositions which make the words uttered become effective.

The Independent Management Confederation of Madrid clearly expressed this at a recent meeting we held with Spanish informative media. On that occasion we said, "The ministers of our government have not wanted to, or have not been able to, or have not found a way of publishing the legal dispositions that implement their president's feelings."

In view of all this, you will appreciate that the Spanish entrepreneurs have serious doubts as to the setting in which we will have to develop our business activities in the future.

Our incertitudes are centered on certain questions

WE'RE RUNNING FULL STEAM LONG BEFORE WE LEAVE PORT.



You're looking at Maersk Line's computerized documentation system. It's as fast and dependable as our modern, fully containerized vessels. And considering today's soaring interest rates, the sooner you can get your paperwork, the better.

Fast, accurate documentation. Thanks to the power of advanced technology

backed by efficient, attentive service. An advantage like this can make a significant difference in your overall shipping costs. A difference that makes choosing Maersk Line a sound decision.



MAERSK LINE

MAERSK LINE. MORE ECONOMIC



Moller Steamship Company, One World Trade Center, Suite 3527, New York, NY 10048—(212) 432-8200

of undubitable importance for businessmen. Labor structure, trade union structure, social security structure, and financial structure are the major question marks we are facing in the immediate future.

Having reached this point, I would now like to explain the general outlines characterizing Spain's economy today.

First and foremost, I must admit the Socialist Party was left a difficult inheritance when it came to power. The P.S.O.E. is facing a very delicate economic situation. This situation is imposing a very tight operating margin in these questions.

One year after they came into power, Spain is still faced with three major problems: Unemployment, an unbalanced public sector, and an unbalanced foreign policy.

Unemployment is certainly the major problem in my country's economy. Today, Spain has 2,335,000 unemployed, which represents 17.7% of its active population—in other words, one of the highest unemployment rates in the O.E.C.D. countries. The socialists' promise to create 800,000 jobs has clearly emerged as utopian and is generating a sharp frustration, awakening expectations among the people of the nation which unfortunately are far from becoming reality.

On the other hand, growth of the public sector is still alarming. In this present year, there has been a progressive acceleration in the State's cash deficit, with a growth of 1,860 million dollars (\$1 = 157 pesetas), 47% higher than in the same period (the first nine months) of 1982.

The need to finance the public sector is also rising sharply, with a deficit of \$6,773.8 million (in accrued figures for the period January through September 1983), which is \$2,518.4 million (54.6%) more than in the same period of 1982.

This need for financing involves highly negative consequences for Spanish private enterprise.

In the face of the enormous public expense, the State is involved in a policy of increasing income, the most direct consequence of which is to raise fiscal pressure. I must stress that in 1983 there has been a hike in tax pressure of 1.5 points in G.N.P. terms. For next year an additional hike of 1.03 points is foreseen, with which a pressure of 32.5% will be reached. The rate of growth of Spain's tax pressure, as an indicator of tax effort, has been far larger in the last decade than that of other industrial nations, and furthermore it has taken place in a situation of progressive economic crisis, which is not, of course, the most appropriate climate for such growth.

This action, furthermore, coincides with a period of crisis and, as you know, penalizes saving and investment. But this is not the only problem. The Government, also because of the need to finance public expenditure, which involves 38% of GNP, and the desire to restrain inflation, is implementing a clearly restrictive monetary policy, the effect of which is simply that money becomes even more scarce and more expensive for the private sector.

The cost of money is one of the most important problems the Spanish businessman is facing today. Interest now stands above 20%. If we bear in mind that we have an inflation rate of 11%, we find that

"The socialists' promise to create 800,000 jobs has clearly emerged as utopian and is generating a sharp frustration, awakening expectations which unfortunately are far from becoming reality."

paying for money at around 20%, we are paying almost 9 points of real interest. This real rate lies among the highest in industrialized nations (compared to 7 in your country, 5.5 in the United Kingdom, 3 in Germany, or 5 in Japan—always speaking in approximate figures).

Along with the subjects I have already mentioned, the situation in our external sector also calls for special concern.

By the end of 1983, our deficit for current account will hardly be less than \$3,200 million. The figure of external financing requirements will be between \$6,500 million and \$7,000 million. The variation in foreign currency reserves will dip between \$800 and \$1,000 million, and by the end of the year will stand at around \$10,600 million.

In Spain, we entrepreneurs have said that these figures clearly show just how fragile our foreign operations are, and we have stressed the need to adopt the necessary measures to get them re-balanced.

Our philosophy is quite simple: All economic recovery should be based on a steady, consolidated growth in external demand. Otherwise, its results will be reflected in an aggravation of the basic imbalances and will translate into exhausting the reactivation before its benefits can noticeably be felt on the level of activity, and particularly on employment.

Together with the problems I have just listed, there have also been improvements in Spain's economy compared with 1982. A more favorable



BANCO CENTRAL

su banco amigo

NEW YORK BRANCH

245 Park Avenue
New York, N.Y. 10167
Tel.: (212) 557-8100

BANCO CENTRAL OF NEW YORK

Full banking services
Main Office:
50 Broadway
New York, N.Y. 10004
Tel.: (212) 785-0700
and five other locations in the city

CALIFORNIA AGENCY

505 Sansome Street
San Francisco, California 94111

MIAMI AGENCY

Rivergate Plaza, 800 Brickwell Avenue,
Miami, Florida 33131

FULLY OWNED SUBSIDIARY IN PUERTO RICO

Banco Central Corp.
Main Office: Ave. Ponce de León 221
Hato Rey, Puerto Rico 00917
Tel.: (809) 753-2500
(Twelve branches on the island)

HEAD OFFICE

Alcalá 49 • Madrid, Spain

"I find it paradoxical that at a time when we all recognize it as a primary target to create jobs, difficulties are still raised for individuals who are able to generate jobs."

situation in production and a slowdown obtained in the growth of consumer prices are probably the most significant advances.

By the end of 1983, all estimates point to our gross domestic product experiencing a growth of between 1.5% and 2%. These rates are better than those recorded in 1982, when the G.D.P. showed a very weak growth rate of around 1%.

Price behavior also showed a more favorable trend than last year. During the first ten months of 1983, accrued increment in prices was 9.4%. This percentage represents an important reduction over the 11.2% increment recorded in the same period of 1982.

Among the positive aspects, I also cannot forget the Government's intention that wages not rise more than 6.5% next year, in an estimated inflation of 8%.

LABOR: THE CONTRACTING FORMULAE

I would like to conclude this short description of Spain's economic reality with a brief reference to a question of vital importance for corporate activity. I refer to the contracting formulae.

We Spanish businessmen have always defended the principle that flexibility of the labor force is essential for a company to survive in times of crisis. We have said that only the possibility of adapting the number of workers to the real market situation can permit the company to live through such times and avoid the definitive destruction of all jobs.

We have simultaneously requested the maximum facilities to carry out temporary contracts. We have done so considering that in a widespread state of unemployment it is better for anyone to work for a limited period of time than to be definitively deprived of any job.

Unfortunately our petitions have not been as successful as we should have liked. In spite of the impeccable declarations by President González that I have already referred to, reality is the same and in some cases has deteriorated.

Compensation for dismissal and layoffs are still practically unsupportable for many companies which have no cash to meet such payments. Recently, a legal disposition has deprived small and medium-sized companies of the opportunity to benefit from a smaller compensation in the case of unfair dismissal.

Neither have we progressed in the field of temporary contracts. Two of the economic sectors with greatest capacity to make these kinds of contracts are the building industry and the hotel and catering sec-

tor, which have been surprised to see how the rules have been tightened up for them, passing from a minimum period of three months to one of six months.

I must admit that I find it paradoxical that at a time when we all recognize it as a priority target to create jobs, difficulties are still raised for individuals who are able to generate jobs.

I do not want to conclude this speech without a few final remarks, even though it means stealing some additional moments of your time. Only a few days ago, a Spanish journalist mentioned to me that he considered my arguments excessively pessimistic. I replied that on a personal level as entrepreneur I had high hopes. The reasons I gave were that "between pessimism of intelligence and optimism of will, we at CEIM always bet on the latter."

I fully understand that throughout my talk I may have given you the impression of a very difficult economic situation. There are, however, some very important positive aspects.

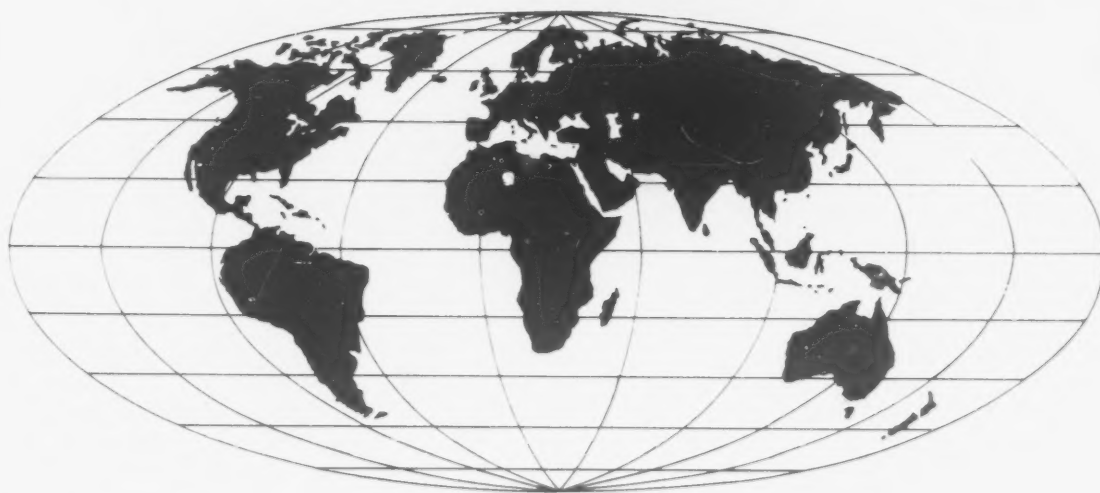
Spain counts on a very important asset: Its people. A mature, wise nation which is facing up to all the difficulties and has faith in obtaining a better future, within a Spain living in peace and democracy.

We entrepreneurs have also contributed with our efforts. We have faced the challenge of improving productivity and competitiveness of our companies, cutting unnecessary overhead. We have invested in new technologies and thought up solutions and new products. We have staked our own personal and family wealth, the fruit of many years of efforts. All this we have done because, in spite of all the difficulties, we have confidence in our nation's future.

This future cannot be represented better than by His Majesty the King of Spain, Juan Carlos I—a man who has perfectly embodied his people's wishes and who has represented our country with dignity and grandeur, and who is very familiar to you all.

For these reasons and others which would be too lengthy to list, Spain is a nation with a fascinating future. You are the children of a country which has given us good examples of support and understanding. Please allow me to ask you today to continue trusting in us, to hold faith in our capacity to meet the problems and continue giving us your backing. Believe me when I say that Spain is a good place in which to invest, to create, and lastly to continue developing those ideas which have converted the Western world into the leading generator of freedom, wealth and welfare for the human race. □

Banco de Santander Group



More than 170 offices overseas

The Banco de Santander is the Spanish company with the largest number of offices overseas.

The Banco de Santander Group has more than 1,000 offices

in Spain, as well as a foreign network of more than 170 offices throughout 22 countries in Europe, North America, Central America and South America.

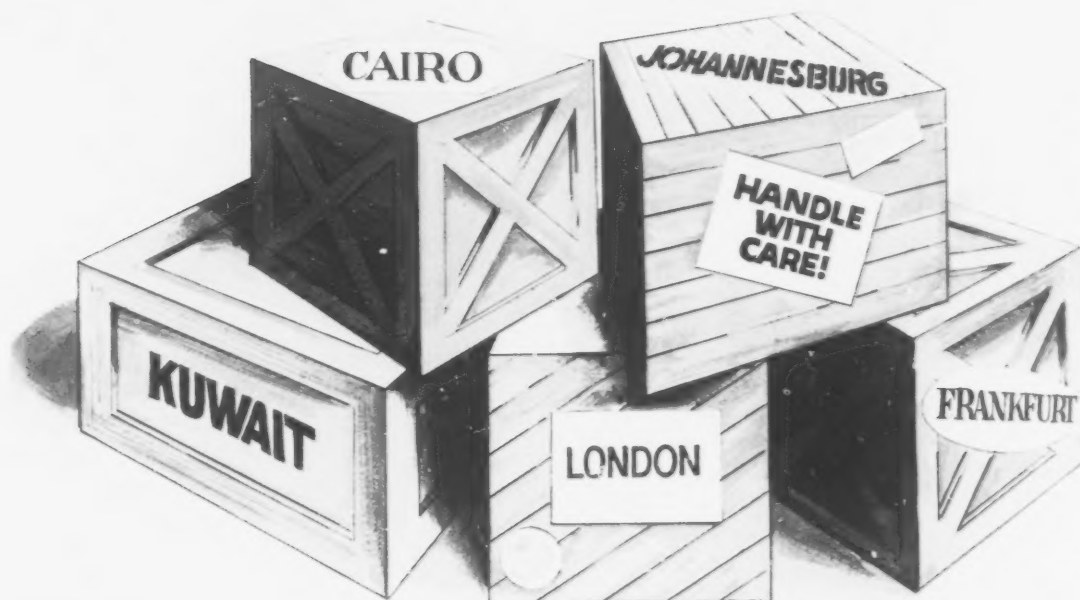
BS

GRUPO BANCO DE SANTANDER

Founded in 1857

**The largest Spanish overseas
Banking network**

If you're not sending your cargo to Spain, send it on Iberia.



We go almost everywhere. (Including Spain.)

You probably know that Iberia's #1 when you want to send cargo to Spain.

But here are some things about our cargo service that you probably don't know.

Iberia has all widebody service beyond Madrid to cities throughout Europe, Africa and the Middle East. And Iberia offers the only all freighter service three times a week between the U.S. and Spain. We also offer you more widebody

flights to Spain from New York and Miami than any other airline.

So if you're sending cargo to Spain, or just about anywhere else, why not send it on Iberia?

For more information and cargo reservations in Miami call TOLL FREE 800-327-2302. Elsewhere in Florida call 800-432-1231. JFK Cargo Office is 800-221-6002.

Iberia's Spain. It's too much for the money.

IBERIA
INTERNATIONAL AIRLINES OF SPAIN

A pragmatic approach to solving problems

AN INTERVIEW WITH MIGUEL BOYER SALVADOR, MINISTER OF ECONOMY AND FINANCE OF SPAIN

During your recent visit to New York, you held meetings with a number of bankers and investment bankers. What aspects of Spain's economy did they find most interesting?

First, the fact that we are not in the least opposed to foreign investment: The fact that to the contrary, we recognize that we need foreign investment, we need capital and technology from the advanced countries, especially the U.S., to create jobs and integrate Spain into the international division of labor. We therefore regard foreign investment very favorably, and the government will do everything in its power to make the process of investment easier and more rapid.

Isn't this what these bankers would have expected?

When a government passes into the hands of a political party of the left, above all into those of a party on the left such as the Spanish Socialist party which has been persecuted for forty years, there are always a lot of unknowns. I believe businessmen want to hear what I have just said directly. The attitude was the same in the visit we just made to Germany: Businessmen there, too, wanted to have it confirmed, directly, that our attitude to their investment in Spain was entirely positive.

What about banks?

Our attitude is the same. We favor the reinforcement of the foreign banking presence in Spain, where nearly thirty foreign banking institutions were already installed by June, for instance in the acquisition of domestic by foreign banks. Such acquisitions will be on the basis of competitive bids, and we have no bias against foreign banks in the bidding.

You had various discussions with foreign bankers and businessmen before the Socialist party won the elections, and now you've had various discussions

since taking power. What is the main difference in their attitudes and questions?

The difference is that now we no longer have to prove that we are going to carry out our electoral program. The foreign bankers and businessmen now know that our program does not include nationalizations, and that we do not intend to enlarge the public sector. We consistently said this before the election, but it was always possible for people to think that, once we were in power, we would change.

When you talk to foreign entrepreneurs about Spain, are there, nonetheless, aspects of their perceptions of Spain which surprise or disturb you?

On the contrary, I was surprised by the depth of knowledge of investment bankers such as Peter Flanagan of Dillon Read, Peter Peterson of Lehman Brothers Kuhn Loeb and Pedro-Pablo Kuczynski of First Boston. They are interested in working with us, and the extent of their knowledge was very good: an excellent knowledge of the possibilities of the Spanish economy, and of the possibilities of investing in Spain.

I was very satisfied by this and by the fact that there was no polemic. Even in private tête-à-têtes, there was no sort of confrontation, no attempt to say "such and such a line of action doesn't seem to us to have the correct orientation." On the contrary, there is an exceptionally friendly climate for Spain on Wall Street, and that is very good for Spain's economy.

Apart from the fact that you obviously have not gone in for nationalization à la française, which aspects of your economic management do you see as especially encouraging to foreign interests?

The fact that we have proved our ability to impose a rigorous economic policy.

Our policy is essentially anti-inflationary. We reduced the rate of money growth by more than 3 points, from a 16.5% rate of growth of M3 in 1982 to 13% this year. We have managed to bring down inflation by 1% already, despite the fact that we devalued the peseta by 8%, and despite the fact that we raised the price of petroleum products by 20%.

We took these unpopular steps in the first days of the new government, although they had the effect of feeding inflation—whereas the previous government,

This interview and the following one with José Ramón Álvarez Rendueles, Governor of the Bank of Spain, appeared in a sponsored section in the magazine *Institutional Investor*. The sponsors of the section were Banco de España, Instituto de Crédito Oficial, Asociación de Banca Privada, Banco Exterior, Confederación de Cajas de Ahorros, Caja Postal de Ahorros, Compañía Telefónica, Instituto Nacional de Industria, and Unidad Eléctrica S.A. The interviewer, J. Graham Carson, is a freelance journalist who analyzes economic, financial and geopolitical affairs for major U.S., British and Canadian publications.

to avoid this effect, had, for instance, blocked the price of petroleum products, driving this inflation underground because it undesirably increased our consumption of these products. One of the key differences between our government and that of our predecessors is that they did not have an absolute majority and were therefore unable to make these essential adjustments or impose these necessary economic policies. By contrast, we do have a stable majority which allows us to ask sacrifices—so we are moving from a

“One of the key differences between our government and that of our predecessors is that they did not have an absolute majority to impose necessary economic policies.”

management which allowed a great many economic policies to fester, to a management which tackles these problems surgically.

In New York at the end of May, did you not say that the economic situation when you took office was bleak?

The situation was certainly difficult: An unemployment rate of 17.5%; inflation at 14%; a balance of payments deficit of more than \$4 billion on current account, a little more than 2% of gross national product, compared with an average deficit for countries in the OECD of .5%; and a budget deficit equivalent to 6% of G.N.P.

Apart from the levels of inflation and unemployment, what did you see as the most worrisome problem?

The worst was the acceleration of the budget deficit, which had nearly doubled from 3.5% of G.N.P. in 1981 to 6% in 1982.

This year, the most we can do is break this trend and block it at 6% in 1983, and try to bring it down to 5% in 1984. It takes time to reduce the negative trends in an economy: When the trend is to double the deficit each year, it takes an enormous effort.

This consideration apart, it would not have made sense to try to actually reverse the growth process and make the deficit shrink in a year that was still one of recession, or at any rate of very small growth. To take a big shot at public expenditures, for instance, would bring about negative growth, which would create more problems than it would solve. Or suppose we had cut domestic demand; that would not have produced additional exports, because exports are limited by international conditions, which are still very bad.

If U.S. interest rates stay at present levels, will

you be obliged to keep your rates, too, at present levels—around 500 basis points higher than those in America?

We are very worried, as are so many other countries, by the level of U.S. interest rates—for two reasons:

First, because if they continue at these levels, say for a year or more, the recovery in the U.S. itself can come to a halt—and the U.S. represents 40% of the OECD.

Second, because these levels of U.S. rates produce enormous tensions in the exchange markets, and oblige us all to keep our internal rates very high to defend our currency, preventing the recovery of our economy and our rate of investment. Despite our more rigorous monetary policy, we were able to bring domestic interest rates down in January and February; but we didn't see the reduction in U.S. rates that we had been hoping for, there was an exodus of capital toward the U.S. in February and March, and now both nominal and real Spanish rates are high—not because our fiscal policy is expansionary but because otherwise there would be capital outflows.

Of the countries rated above Spain (which is 24th in ranking), in *Institutional Investor's* Country Credit Ratings, do you think some should have been placed below you?

Looking at the level of our external debt in relation to G.N.P., we should certainly have been higher than some of them, who are rated triple AAA. I even have my doubts about others, perhaps only because their real figures on external debt are not known. What is more important is that during the present and the past year, we are reducing the rhythm of growth of our external indebtedness while other big European countries are increasing it.

One more question on inflation, since you have defined the reduction of inflation as your key target. Some U.S. economists suggest that the principal reason for the relatively high inflation in Spain since the early 1970s is that governments encouraged wage rises to preserve labor peace. In general terms, is that correct?

In general terms, yes. We reached extraordinary levels of inflation—around 26% in 1977—but thanks to the agreements reached in that year and following years, and to wage agreements that have been made in more recent years, Spain has brought inflation down to much more modest levels.

For this government's own policy, we've said in our program for the four years that there will be neither increases nor decreases in purchasing power. This is accepted by the unions—as is the policy that productivity improvements will produce the profits of business. □

Anti-inflationary Monetary Policy and Liberalization of the Banking System

AN INTERVIEW WITH JOSE RAMON ALVAREZ RENDUELES,
GOVERNOR OF THE BANK OF SPAIN

You naturally have many conversations with your counterparts at other Central Banks and with foreign bankers from the private sector. Is there anything about their perceptions of the Spanish economy that worries you? Is there anything about it that surprises them?

At the beginning, of course, there was the perception that perhaps the Spanish government would make its economic policy similar to that of other Socialist countries. There was concern, also, that the government would go in for nationalization.

That was the main difficulty in December [when the Socialist government came to power]—but not now. Now my foreign colleagues and counterparts realize that we are going in the right direction, and both the Prime Minister and the Minister of Economy and Finance have stated several times that nationalization is not desirable—for instance, that the banking system is better in private hands than in public ones.

I wouldn't say there are too many surprises. As are many other economies, we are fighting against inflation, and doing our best to improve our situation in the difficult economic situation of the world in general.

What are the key functions, in this situation of the Bank of Spain?

Like the Bank of England, we have two key functions: Control of the money supply and surveillance of banks.

On the first of these, you have brought down the rate of growth of M3 from near 25% in 1977 to some 16% in 1982 and 13% so far this year. Could

you go into some detail about the way you control money growth?

We really started in 1972-1973. Before that there was no active control of money growth, there was no monetary policy in the modern sense.

In the past few years we have been perfecting our system, which works by controlling the liquid assets of the banking system. We do this by making auctions in both directions—auctioning funds to supply credit, and auctioning short-term debt instruments to drain excess liquidity. In the past two or three years, unfortunately, we have been doing more draining than supplying, because of the fiscal deficit.

You mentioned that you've been perfecting these instruments.

We started with something equivalent to Treasury bonds, then CDs of the Bank of Spain, and now we are relying on two instruments. One is the Certificate of Monetary Regulation, which we issue on a one-day, one-week and three-month basis, which is sold only to banking institutions. The other is the Pagaré del Tesoro—Treasury bill is a good translation—which is sold not only to the institutions but to the public in general. Up to a year ago we had hardly any volume in the latter, but we are already at 400 billion pesetas (roughly \$2.75 billion), which is a big amount for the Spanish economy.

How often do you set your money-growth targets, and how often do you go into the markets in order to correct aberrations?

We first make our program for the year, then every month we look at our progress and set targets for the month, and we intervene on a daily basis. We have some flexibility: While the target for M3 for the year is 13%, that is the center of a band—of which the upper limit is 15% and the lower limit is 11%.

You focus on M3 because you have found it the

most practical measure to control?

That's one reason. It's also because what we are of course trying to affect basically is the growth of nominal G.N.P.—and the relationship between M3 and nominal G.N.P. is the most stable of the relationships between nominal growth and any of the M's.

Some other countries that also focus on M3, notably the U.K., have had considerable difficulty in meeting their targets, for reasons they have found hard to explain. Have you run into these seemingly inexplicable problems?

We're very close to target now, but we have sometimes overshot—as we did, for example, two or three years ago, mainly for external reasons.

As they do everywhere, the difficulties in Spain come mainly from the foreign sector and from deficits.

For example, three years ago, when the dollar was weak, we had the problem of a great inflow of funds, which created a very expansionary effect and caused us to overshoot our targets. And when the deficit is growing faster than forecast, that also creates more liquidity than was planned.

In general, though, since I've been in the Bank of Spain (Rendueles has been Governor since 1978) we have always been within our target band, and usually rather close to the central point of the band.

Is this partly because your system for monetary control is more simple than others?

The main reason is that our monetary and financial systems are not so sophisticated. It is also because we have been perfecting our methods, but some other countries have more complex problems because they not only have monetary assets, they also have quasi-money and quasi-monetary assets, which makes them enlarge their definitions of M. In Spain now we are having some of these definitional problems, as Treasury bills and other instruments are used as substitutes for deposits.

Switching now to your other main function, the supervision of the banking system, here, too, you have introduced some significant changes.

We are shifting from the control of the system by regulation to a system of supervision of the quality of assets. We are also taking account of profits and losses. And, following our suggestions, the banks have been making very substantial increases in recent years in their provisions for bad loans.

In the Information Memorandum prepared in connection with your \$200 million Floating Rate Notes, in February, there is mention of a number of problems in the banking system. But the Bank of Spain is quoted as feeling these problems have been put to rest—does that still hold good?

Yes. We do feel these problems are behind us.

Is your reserve system the same as the fractional reserve type employed in the U.S.?

Not quite the same. The banks have to keep 6.75% of their deposits—the percentage was increased one full point in December—with us in cash, at no interest.

“We are ready to put our money market and banking system in line with that of EC countries. We are not expecting difficulties in the adjustment.”

They also have to keep 4% of their deposits with us at 8% interest. This “cash coefficient” is part of our monetary control system, and we give the 8% to to avoid, as far as possible, reducing the profits of the banking system.

Will Spain's entry into the European Community present you with serious problems?

We are ready to put our money market and banking system in line with that of the EC countries. We are not expecting difficulties in the adjustment. The main one is more freedom for foreign banks, and we made legislation in 1978 opening the system to them. There are some limitations on the operations they can perform, and on their creation of branches, but they're not important at all. If you talk to the foreign banks, I'm sure they'll tell you there are effectively no restrictions on their operations here in Spain.

Once you are members of the EC, would you join the European Monetary System?

Why not?

Meanwhile, do you intervene to any great extent in the currency market?

Only to smooth out disequilibrium. We follow the direction of the market. We never lean against the wind. To do so is nonsense, because if you try to reverse the trend of the market in the course of a few weeks you finish your reserves. □

**BANCO EXTERIOR GROUP... OF SPAIN...
OF GERMANY... OF FRANCE... OF CHILE...
OF BELGIUM... OF NEDERLAND... OF ITALY...
OF THE UNITED KINGDOM... OF ECUADOR...
OF PERU... OF ARGENTINA... OF PANAMA...
OF PARAGUAY... OF EQUATORIAN GUINEA...
OF COLOMBIA... OF BRAZIL... OF BOLIVIA...
OF GUATEMALA... OF BAHRAIN... OF THE
UNITED STATES... OF MEXICO... OF RUSSIA...
OF VENEZUELA... OF CAYMAN ISLAND... OF
SINGAPORE... OF PORTUGAL... OF EGYPT...
OF SWITZERLAND... OF URUGUAY... OF THE
WORLD.**



BANCO EXTERIOR GROUP
Banking without frontiers



**EXTEBANK
INTERNATIONAL DIVISION
Olympic Towers Building
645 Fifth Avenue N.Y. 10022 (EE.UU.)**

For True Quality

GOYA
Foods

If it's

GOYA

...It's got to be

GOOD

GOYA FOODS, INC. - 100 Seaview Drive, Secaucus, New Jersey 07094
(212) 499-4000 • (201) 348-4900

Is Spanish Industry Ready for the EEC?

The Spanish public is losing its enthusiasm for joining the EEC; but not to join, says this author, would be a disastrous mistake. Spain, however, needs a transition period—during which it must catch up with the information economy—"the second industrial revolution."

Twenty years ago the Apollo space program had yet to be announced and the idea of putting a man on the moon was barely removed from science fiction. Even so, it was before this—in February 1962 to be exact—that Spain clearly expressed its desire to integrate into the EEC.

It is a significant measure of mankind's priorities that putting a man on the moon has become a matter of historical record, while Spain is still struggling to enter the EEC, a group of nations to which by every natural law it should belong.

I recall that in the early negotiations it was often held that Spain could not expect positive attitudes from its European neighbors, by reason of its undemocratic system; and yet General Franco died in 1975, and the realignment of the Spanish political system is there for all to see. If the EEC is awash in its winelakes, then Spain is certainly soaked in democracy.

Despite these very real and profound changes in Spain, as a Spaniard I still do not see any sign of the "positive attitudes" which need not be held back any longer.

If one is guided by the national press in any EEC country, it is *that* country which supports Spanish entry and 'the others' which are to blame for the delays. It has become a matter of course to expect each year to hear that our expected date of entry has been postponed yet again. The latest date I have is 1986 — of course someday someone will be correct.

News of the progress of the negotiations rarely makes the front pages nowadays; years of seemingly endless discussion has ensured that. I recall that in the initial years interest came not just from commerce and industry but from society as a whole. Today apathy is the common denominator.

The European Commission some three years ago started its 'Eurobarometer.' Its first survey showed that 58% of the Spanish population was in favor of joining; in April of 1983 only 46% considered it a good thing.

Our Foreign Minister said recently we were "in the last few yards of a long race"; well, I think the race is lasting so long that the Spanish spectators are losing interest and are starting to leave the stadium. Even our politicians are starting seriously to question this negotiation.

One has the distinct impression that the Community is not really interested in Spanish membership to such a degree that if a conclusive and satisfactory end to the negotiations is not in sight in the near future, political parties, trade unions, industry, and not least the Spanish public, will become so frustrated and angered that they will ask whether it is worth pursuing the matter any further.

For the first time anti-EEC opinion is gaining support and favors a role in which Spain, remaining outside the Community, acts as a bridge between the Community on the one hand and Latin America and the Third World on the other.

Personally I do not think there are any easy alternatives for Spain outside Europe. For Spain to remain outside the Community would be a mistake of historical magnitude, and I for one refuse to believe it would happen.

Let us not look at the Spanish industrial scene while negotiations proceed. Although so much has been said already, I hope that I can still offer you an original approach, that of industrial survival through technological innovation.

At present nearly 50% of Spain's industrial export production goes to the EEC, and although this represents a very small penetration—in fact about 2%—into the vast European market, its importance to Spain cannot be underestimated. The EEC is the first trading power in the world, handling as it does more than one third of the world's exports and imports. With such preeminence, the evolution of the economic power of Europe is such that it can influence profoundly and significantly the pattern of trade throughout the world. Spain must not be left out of such an advantageous situation.

IS SPANISH INDUSTRY READY FOR THE EEC?

I think we can only analyze the Spanish industrial situation in the light of changes taking place all over the world. We are changing from what we have now, an industrial society, into a post-industrial or information society.

Growth in early industrialization was based on coal, steel, and often textiles; later on, oil, the automobile, aviation, chemical products and electricity became the building blocks of the new development. Throughout the seventies, the latest technologies, electronics, information processing, robotics and others began to change the face of industry; the new era of 'Information Technology' was finally born.

There can be few people who do not realize that we

"...as regards expenditure as an average (on Research and Development) the countries of the EEC spend ten times more than does Spain."

are now at the threshold of a revolution in which the knowhow of Information Technology will play a role no less vital than that played by steel in the nineteenth century.

For the first time in the history of mankind, the number of intelligent machines is greater than the number of human beings on the globe. By the end of 1982 the number of minicomputers, computers and microprocessors was in excess of 5,000 million.

Thanks to the microchip we are living through a revolution of greater significance to man than the industrial revolution of a century ago.

We must recognize that we are entering a new era,

an era of vastly enlarged productive capacity, brought about by those new technologies. It is an era in which success in competition for the markets of both products and services depends on the producers' skills in adopting information technology—in the office, in the manufacturing process, and in the products themselves.

Let us have a look at changing employment patterns in the United States over the years, as well as at the influence of information technology on present trends of employment (see chart). These general trends are similar in Japan, and are starting to appear obvious in Europe.

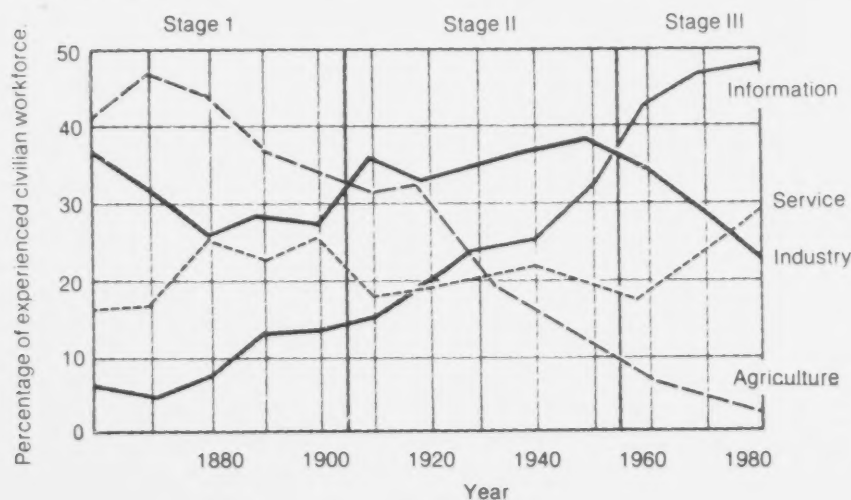
Science and technology continue to be parents of prosperity in the industrialized countries. These parents can only thrive with a healthy diet of Research and Development.

One of the indications of the importance nations give to innovation and the need for progress is the number of people engaged in Research and Development. Taking into account the differences in population, for every Spaniard engaged in Research and Development: Italy has 2; France has 5; the United Kingdom has 6; Germany has 8; and, as regards expenditure as an average, the countries of the EEC spend ten times more than does Spain. Spain is the only country of the OECD which pays out more in license fees and royalties to foreign countries than it spends on R & D.

There are indications that the Commission is thinking of preparing a general industrial policy with the aim of encouraging:

- 1) An increase in the size of companies.

Towards the information economy. The changing pattern of employment in the USA, 1860-1980



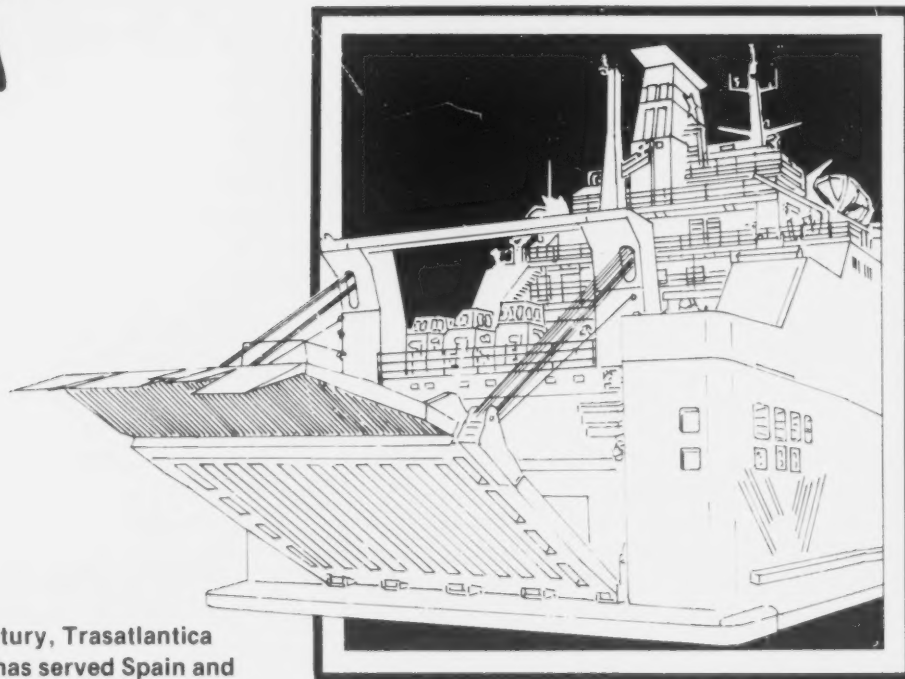
The chart shows that almost half of America's civilian workforce are already employed in the information field. Things are similar in Western Europe, where a considerable proportion of the service sector's workforce are also involved in generating, recording, processing and transmitting information in one form or another.

Stage 1 has been described as the agricultural economy.
Stage 2 the industrial economy.
Stage 3 the information economy.

Source: Bureau of Labor Statistics, USA

Trasatlantica Spanish Line

Over a
Century of
Quality Service



For over a century, Trasatlantica Spanish Line has served Spain and the U.S., offering quality service and personalized attention to customers and cargo.

Now, Trasatlantica Spanish Line's North Atlantic service has been expanded to include the Italian ports of Genoa and Leghorn, linking the heart of the Mediterranean with the United

States. Also new is the addition of two sophisticated Ro/Ro and Lo/Lo vessels offering service between Mediterranean ports and Miami

and the U.S. Gulf. General agent for the line is the Kerr Steamship Company, 2 World Trade Center, New York, N.Y. 10048; telephone (212) 524-1100; with offices

throughout the United States.



TRASATLANTICA
Spanish Line

- 2) The concentration of similar industries and processes in all member countries.
- 3) Specialization to enable the better exploitation of markets of increasing size.

But in the meantime each individual nation tries to strengthen its own industrial competitiveness, particularly with clear policies of assistance to industries in narrowing the technological gaps with the U.S. and Japan.

The United States does not need a published policy; the very size of government spending in military and space programs, as well as the size of its own home market, generates its own forces of innovation.

We all know of Japan's highly centralized industrial policies (the MITI) and its government's highly protectionist policies.

Within the European Community, over the last five years, each and every government has launched, independently, programs often costing several billions of pounds each to encourage and support technological change in industry. The United Kingdom has created a ministry specifically to support such change—the Information Technology Ministry.

I was glad to learn that the Spanish Government is seriously working on new legislation called the "National Plan for Electronics and Information." This plan hopefully will start with the provision of resources, however modest, necessary to trigger the change into the new era of promise. While one cannot innovate by decree, one can provide, through legislation, vital catalysts for change and growth. A campaign of national awareness is what is required, similar to that tackled by the UK through the Information Technology Ministry, together with legislation to encourage the more efficient and flexible use of labor, to improve and extend training, and to reform the social security system.

The first Industrial Revolution came to Spain one century late; we cannot—we must not—miss the coming of the second revolution.

It is often said that Spanish industry has developed under basically protectionist policies and that today we are a powerful industrial nation and should rapidly dismantle our industrial tariff structure. After more than twenty years of discussion the Community proposes that there should not be a transitional period. I do not think we are ready to enter the Community without a transitional period.

Spain does not have the hidden 'protection' of the 'Standards Board'; we have no equivalent of the British Standards Institution or the Deutsche Industrie Norm. Spanish patents law requires modifications to adapt itself to that of the Community, and in addition

our technological knowhow is really low.

I believe that to attempt to change overnight will be to invite industrial suicide. I subscribe to the proposal of the Spanish Confederation of Industry that there should be a ten year transitional period.

The present industrial strategy in the Community is one of specialization, and this must mean change for Spain, which due to the high internal demand of the sixties, as well as the degree of protectionism, has a large sector of industry producing too great a range of products with a poor competitive edge. In such circumstances Spain is extremely vulnerable to a sudden collapse of duty barriers.

The entry of Spain into the EEC is a challenge for Spanish industry, with opportunities for large markets, new sources of capital and technological transfer. I have no doubt that once it has been clearly established that integration is for good, and when a firm timetable is prepared, Spain will not be found wanting. Industry will react to make all the necessary changes for the better future that will be ahead. If such a positive commitment and a timetable is not forthcoming then I fear many sectors will do little about preparing. The continuing delays of recent years have had a damaging and demotivating effect.

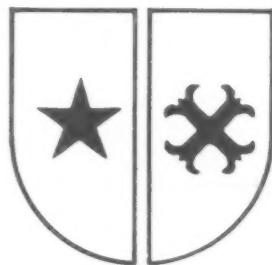
Joining the EEC means the possibility of modernization and an increased level of technology, which is absolutely vital for survival. Future prosperity lies in the effective application of information technology in manufacturing, commerce and the products themselves.

For any of us old fashioned enough to have Luddite-like ideas still lurking in the darker corners of our thinking, let me say, as an example, that 80% of all new jobs created in the USA in 1982 were in the field of information and technology.

While negotiations proceed I understand that our politicians have to consider the economy as a whole and industry cannot be viewed in isolation, but I am sure that certain vital conditions will be taken into account in order that we may enter the Community on terms which compare justly with the countries already in it. To ensure this justice, a considerable transitional period is necessary, perhaps the ten years we have already mentioned, but transitional period there must be.

Of course it is true, even in the unlikely event of Spain not entering the Community, it will need to modernize its industry and innovate, yet the best trigger to start that innovation going ahead with real purpose, is a final decision on Spain's entry to the Community and an agreed timetable to work to.

That final decision should wait no longer! It must be made now! □



If you want to talk
Business
talk to
Banco Urquijo

New York Agency

One Liberty Plaza, New York, N.Y. 10006 - Tel. (212) 791-9500

Head Office - Plaza del Rey, 1, Madrid 4, Spain

Member News:

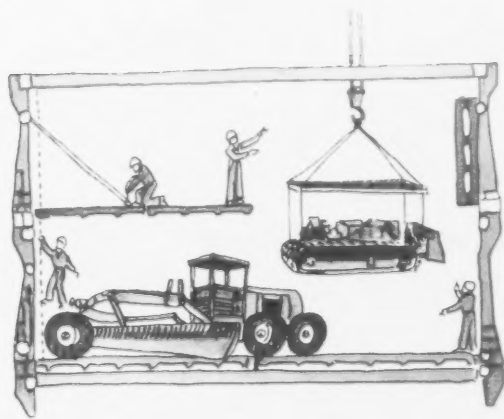
Farrell Lines Selected to Test "Sea Shed" System for Handling Oversized Cargo

Farrell Lines has been selected by the U.S. Maritime Administration ("MARAD") to test commercially its newest concept in cargo handling, the "Sea Shed" system, designed to give container ships the capability of carrying oversize cargo. Farrell Lines was chosen because of its tradition of accommodating shippers with outsize cargo needs. The first test began when Farrell Lines' containership, the "Freedom" sailed from Norfolk on January 5th for the Mediterranean.

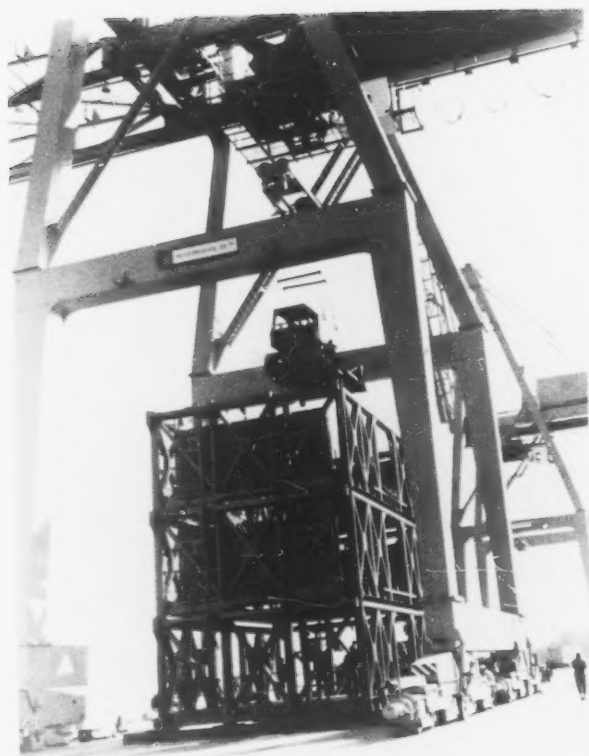
The Sea Shed is a between-deck conversion system which is inserted into the holds of ships having forty foot container cells. Four prototypes have been built for MARAD by Tracor Marine of Fort Lauderdale, Florida.

Each Sea Shed is a large open-top container frame three times the width of a standard 40' container; it measures 40' long by 25' wide by 12'6" high and weighs 30 tons empty; it has a capacity of 100 tons.

Container cranes and standard 40' container spreaders are capable of handling empty Sea Sheds. They can be stacked up to four high in the hold of a container ship.



Artist's rendering of the Sea Shed "Oversize Cargo Capability" System being tested by Farrell Lines. Each Sea Shed is a large open-top container frame, three times the width of a standard 40' container and having a weight of 30 tons empty and a capacity of 100 tons.



At Farrell Lines' Norfolk Terminal, three of the four Sea Shed units are stacked and tested in preparation for their inaugural voyage on the "Freedom" to the Mediterranean.

The capability of the Sea Shed to function as a "tween-deck conversion system" is made possible by using a "work-through" floor. This floor, which is bi-parting, is composed of two bi-panel folding sections. The end panel of each section is hinge-connected to the main frame of the Sea Shed, and actuated via self-contained winches.

The system also incorporates adapter beams, which are positioned on top of the Sea Shed to allow standard 40' containers to be stacked on top of the Sea Sheds. Within the terminal, the Sea Shed is transported on standard 40' container chassis.

Farrell Lines anticipates moving two or three Sea Sheds per sailing every 14 days from Norfolk to the Mediterranean, according to Richard V. Parks, the line's president. He cites the following as examples of oversize cargo which the Sea Sheds will be able to accommodate on eastbound and westbound sailings:

- Construction equipment, including cranes, earth movers and pipe.
- Industrial machinery, agricultural equipment, and power plant components.
- Wheeled vehicles, including buses, trains, planes and trucks.
- Mobile homes and boats.
- Specialized cargo, such as tobacco.

Current Legislation in Spain

A SUMMARY OF LEGISLATION PUBLISHED BETWEEN NOVEMBER 1, 1983 AND DECEMBER 31, 1983

NOTE: Official State Gazette is abbreviated OSG

GENERAL

1. Ministry of Justice. Order of Oct. 21, 1983 implementing Article 43 of the regulations of the law on zones and installations of interest for the national defense (OSG Nov. 3, 1983).

2. Office of the Head of State. Organic Law 12/83 of Nov. 16, 1983, amending the competences of the National Court (OSG Nov. 26, 1983).

3. Office of the Head of State. Organic Law 13/83 of Nov. 26, 1983, amending paragraph 1 of Article 12 of Law 3/80 of April 22, 1980, regulating the Council of the State (OSG Dec. 1, 1983).

According to this Law, the President and the permanent Councilmen of the Council of the State will have the incompatibilities established in a general manner for those top-level positions of the Office of the Head of State.

4. Ministry of Justice. Order of Oct. 31, 1983 on organization and competences of the Advisory Commission for the Freedom of Religion (OSG Dec. 29, 1983).

ADMINISTRATIVE

1. Ministry of Industry and Energy. Resolution of Oct. 27, 1983 of the General Directorate of Energy, developing Order of May 12, 1983 and Order of Aug. 1, 1983, which regulate the execution of the electronic investigation and development program (OSG Nov. 5, 1983).

2. Ministry of Economy and Finance. Royal Decree 2917/83 of Oct. 19, 1983, amending certain figures established in Royal Decree 1005/74 of April 4, 1974, regulating the assistance agreement of the State Administration and its autonomous entities with consulting and service companies (OSG Nov. 25, 1983).

3. Ministry of Public Works and Urbanism. Order of Nov. 21, 1983 regulating the procedure for the protection of the housing restoration regulated in Royal Decree 2329/83 of July 28, 1983 (OSG Nov. 25, 1983).

4. Office of the Head of State. Law 17/83 of Nov. 16, 1983, implementing Article 154 of the Constitution on the office of the Delegate of the Government in the Autonomous Communities (OSG Nov. 26, 1983).

5. Office of the Head of State. Royal Decree-Law 8/83 of Nov. 30, 1983 on Reconversion and Reindustrialization Plan (OSG Dec. 3, 1983).

This Royal Decree sets the new legal frame replacing that established by Law 21/82 of June 9, 1982.

Among the various subjects discussed, the legal procedure for the declaration of the sector in reconversion is established. Also, a series of measures of a financial nature is specified which would result in consideration benefits to those entities which may avail themselves of the reconversion, including preferential access to official credit and granting of endorsements and subsidies.

This Royal Decree also sets up a series of labor and tax measures. In this regard, it may give tax advantages to the "restructuring company" and to the member companies as well. In regard to the latter, the tax benefits are as follows:

1. 99% of the amounts payable for transfer tax, sales tax and local surcharge on:

- Loans
- Debentures
- Increase in capital

2. 99% of the amounts payable for sales tax and customs duties on the import of new equipment purchased to carry out the restructuring program.

3. Freedom on depreciation.

4. Grants may be considered as income in any period within the maximum period for depreciating the equipment financed by the grants.

5. The maximum capital investment tax credit may be deducted, up a limit of 40% of taxable income, during the life of the restructuring program, with a carry-forward limit of four years.

6. The period of offsetting tax loss carry-forward shall start from the first period with a taxable income.

7. Reduction on payroll due to the restructuring will be disregarded for purposes of calculating the capital investment tax credit.

8. Mergers may take advantage of the benefits under the law on mergers.

Finally, the Decree regulates the promotion of technological innovations and introduces other measures including one to give the Center for Industrial Technologies Development a more adequate configuration for the fulfillment of its functions.

6. Ministry of Public Works and Urbanism. Order of Nov. 30, 1983 on integrated restoration areas regulated by Royal Decree 2329/83 of July 28, 1983 on the Protection of the Restoration of the residential and urban properties (OSG Dec. 8, 1983).

7. Presidency of the Government. Instruction of Dec. 21, 1983, or the State Secretariat for the Public Administration on working hours, workday license, and personnel holidays (OSG Dec. 22, 1983).

8. Office of the Head of State. Law 25/832 on incompatibilities of top-level officials (OSG Dec. 27, 1983).

INTERNATIONAL

1. Ministry of Foreign Affairs. International Agreement for the preservation of the Atlantic tuna, signed in Rio de Janeiro on May 14, 1966. Corrections to the Spanish text (OSG Nov. 5, 1983).

2. Ministry of Foreign Affairs. Protocol of Oct. 21, 1982 of adhesion of Thailand to the General Agreement on Customs and Commerce Tariffs, signed in Geneva (OSG Nov. 11, 1983).

3. Office of the Head of State. Instrument of Ratification of Oct. 22, 1982 of the Agreement between Spain and Italy on Social Security and the Administrative Agreement for its application, signed in Madrid on Oct. 30, 1979 (OSG Dec. 15, 1983).

4. Ministry of Foreign Affairs. Exchange of Notes between Spain and the United States of America in regard to the jurisdiction on ships using the

Louisiana Offshore Oil Port (Loop Inc.) (OSG Dec. 19, 1983).

FISCAL

1. Ministry of Economy and Finance.

Circular No. 897 of Oct. 13, 1983 on assignment of statistical codes (OSG Nov. 10, 1983).

2. Ministry of Economy and Finance.

Resolution of Oct. 18, 1983 of the General Directorate of Coordination with the Local Tax Administrations, regulating the proceedings for getting a ruling in accord with Article 107 of the General Tax Law 230/63 of Dec. 28, 1963, and also delegating this competence to the Deputy Director of Local Taxes (OSG Nov. 10, 1983).

3. Ministry of Economy and Finance.

Order of Oct. 28, 1983 publishing the Resolution of April 19, 1983 of the Undersecretary of Economy and Finance in the appeal filed by Unión Española de Entidades Aseguradoras, Reaseguradoras y de Capitalización (UNESPA) against the Ministerial Order of Nov. 3, 1982 (OSG Nov. 17, 1983).

4. Ministry of Economy and Finance.

Correction of errors in Royal Decree 2320/83 of July 28, 1983, amplifying, amending and extending the equipment list annexed to the Customs Tariff (OSG Nov. 22, 1983).

5. Ministry of Economy and Finance.

Royal Decree 2925/83 of Nov. 2, 1983 amending item 15 of the First Preliminary Disposition of the Customs Tariff (OSG Nov. 26, 1983).

6. Ministry of Economy and Finance.

Royal Decree 2926/83 of Nov. 2, 1983 amplifying and amending the list of equipment goods annexed to the Customs Tariff (OSG Nov. 26, 1983).

7. Ministry of Economy and Finance.

Royal Decree 2927/83 of Nov. 23, 1983 extending for three months the suspension of duties on the importation of methyl alcohol of item 29.04 A.1. of the Customs Tariff (OSG Nov. 26, 1983).

8. Ministry of Economy and Finance.

Royal Decree 2933/83 of Oct. 13, 1983 regulating the system of singular objective estimates in the Individual Income Tax (OSG Nov. 28, 1983).

First of all, we should point out that this Royal Decree introduces several

modifications to Articles 97 through 105 of the Income Tax Regulations, which regulate the singular objective estimate system. This system is voluntary and is applicable only at the request of the individual. It has two forms, normal and simplified.

The circumstances required to avail oneself of this system are the following:

1. Regarding the business activities, it is necessary that the number of workers on the premises does not exceed 12 on any given day of the year, and that the annual volume of operations be over 50 million pesetas.

2. Regarding professional or artistic activities, it is necessary that they do not receive a remuneration higher than 1,500,000 pesetas and that they do not have any employees.

We should also point out that the taxpayers who carry on business, professional or artistic activities may not avail themselves of this system if their income from any of these is being taxed under the direct estimate system.

This system will have a valid term of three years, unless the taxpayer:

- No longer fulfills the required circumstances enabling him to fall under this system;
- Has incurred extraordinary expenses which are not part of his normal activities.

Net income will be determined by deducting from the gross the following expenses:

- a) Personnel cost, social security, apports made by the taxpayer and other members of the family unit working in the activity.
- b) Cost of goods.
- c) Energy and water consumption costs.
- d) Rent payments.
- e) Local taxes paid in connection with the operations resulting from ownership of patrimonial elements used for business.

In addition, the following percentages will be deducted from the resulting amount, when applicable:

- 20% in the case of manufacturing and mining operations.
- 15% in the case of commercial activities pertaining to the performance of services, farming, cattle, forestry and fishing works.
- 10% in the case of professional or artistic activities.

The business or professional net income will be calculated by applying the above two rules plus the payments attributed to the owner of the operation and other members of the family unit who work at same.

Lastly, and insofar as the simplified procedure of singular objective estimate is concerned, this is only applicable to those taxpayers who in the performance of business operations do not have in their service more than two workers, and whose annual operations volume exceeds 5 million pesetas.

9. Ministry of Economy and Commerce.

Royal Decree 2947/83 of Nov. 2, 1983 amending several import quotas, free of duties, established by Royal Decree 491/83 of March 9, 1983 (OSG Nov. 29, 1983).

10. Ministry of Economy and Finance.

Royal Decree 3011/83 of Nov. 16, 1983, suspending the duties established in item 07.01.A.1.b on the importation of seed potatoes in the Blearie Islands (OSG Dec. 3, 1983).

11. Ministry of Economy and Finance.

Order of Dec. 7, 1983, regulating the distribution among the City Halls of Tenerife Island of their participation in the revenues from local taxes (OSG Dec. 16, 1983).

12. Ministry of Economy and Finance.

Correction of errors in Royal Decree 2926/83 of Nov. 2, 1983 amplifying and amending the equipment list annexed to the Customs Tariff (OSG Dec. 19, 1983; see No. 6 above).

13. Office of the Head of State. Law

24/83 of Dec. 21, 1983, on urgent measures on improvement of the financial situation and regulation of the Local Tax Administrations (OSG Dec. 22, 1983).

The precarious financial situation of the municipal corporations has made necessary the publication of this law, primarily to achieve a financial balance for those corporations and also to establish the bases by which these will temporarily be ruled until such time as the Law on Financing of Local Entities is approved.

In this regard the Law contemplates two types of measure. The purpose of the first is to improve the financial situation of the local tax authorities, freeing them from debts through the granting of State financing to eliminate the current budget deficit as of

Dec. 31, 1982. This deficit includes the losses caused by the metropolitan transportation services, whose financing will be carried out with the following funds:

- a) A surcharge on the Individual Income Tax to be paid by the residents in the respective municipal areas;
- b) A surcharge on the Urban Territorial Tax payable.

The second type of measure creates means to increase the income of these entities, the most salient of which being the establishment of an additional surcharge on the Individual Income Tax which will fall exclusively on the taxpayers who have their usual residences in the respective municipal areas.

These measures may also fix within the municipal territories the rates of the Urban and the Rural and Livestock Taxes effective as of Jan. 1, 1984. In this regard, until that date the rates on the Urban and the Rural and Livestock Taxes are 20% and 10% respectively.

14. Ministry of Economy and Finance. Royal Decree 3126/83 of Dec. 14, 1983 amending the Organic Act of the Tax Collection Function and the Tax Collectors (OSG Dec. 22, 1983).

15. Ministry of Economy and Finance. Royal Decree 3131/83 of Dec. 14, 1983, eliminating the requirement concerning the temporary importation of bags and sacks established in Article 138 of the Customs Regulation (OSG Dec. 23, 1983).

16. Office of the Head of State. Laws 30/83 through 43/83 inclusive, of December 28, 1983, regulating the transfer of certain State taxes to the Autonomous Communities (OSG Dec. 29, 1983).

The Organic Law for Financing of the Autonomous Communities has already established the basic principles governing the transfer of taxes to the Autonomous Communities. However, it is necessary to specify the scope and conditions under which the transfers are to be effected in order for this process to be conducted in a homogeneous manner in each Autonomous Community. This law fulfills that purpose, its most salient factor being the allocation to the Autonomous Communities of the tax revenues collected within their territories for

the following taxes:

- 1) The wealth tax.
- 2) The Inheritance Tax.
- 3) The following items involving the Transfer Tax:
 - a) Onerous inter-vivos transmissions of all kinds of goods and rights;
 - b) The creation of real rights, loans, bonds, leases, annuities and administrative concessions;
 - c) The creation of foundations, capital increase, capital reductions, mergers, transformation and dissolution of entities.
4. Regarding the Luxury Tax, only the tax levied on certain taxable items is allocated.
5. The gambling tax.

17. Ministry of Economy and Finance. Royal Decree 3198/83 of Dec. 14, 1983 introducing in the Customs Tariff several amendments of various tariff items (OSG Dec. 29, 1983).

18. Ministry of Economy and Finance. Royal Decree 3197/83 of Dec. 7, 1983 introducing new items for non-classified activities and amending others in the rates of the fiscal license tax on commercial and industrial activities (OSG Dec. 29, 1983).

19. Office of the Head of State. Law 44/83 approving the General Budget of the State for the fiscal year 1984 (OSG Dec. 30, 1983).

First of all it should be pointed out that with the General Budget of the State for the fiscal year 1984, a change is initiated in the budget policy, replacing the traditional approach by one of goals. We will explain in general terms the most important features of this Budget.

It proposes an increase in wages in the Public Sector limited to 6.50%, as well as a freeze in expenditures on goods and services and a moderate progression in actual investments.

On the other hand, the Budget increases the coverage of social services, unemployment, annuities and pensions. This sector includes a large portion of the expenditure increases.

In regard to revenues, a clear differential policy can be seen, since the revenues from the Social Security Tax are reduced, thus stimulating the hiring of unemployed people, but other tax revenues are increased.

Regarding financial operations, the limitations should be pointed out which

are imposed on State guarantees during this fiscal year, for exterior credit operations of any nature, which cannot exceed 120,000 million pesetas. The Government is also empowered, under proposal from the Ministry of Economy and Finance, to issue or contract public debt of the State to finance those expenses authorized by this Law, to a maximum amount of 411,000 million pesetas.

Insofar as the global apportion of the Treasury to the Official Credit for fiscal year 1984 is concerned, this has been fixed at 324,000 million pesetas, and the maximum limit of currency in circulation has been fixed at 175,000 million pesetas.

Regarding fiscal matters, this Law amends the Income Tax schedule of individuals, the average of which fluctuates from 16.14% for the first 200,000 pesetas and 45.9% for income exceeding 12,200,000 pesetas. Also the final rate of this tax (which was 45%) is raised so as not to exceed, on personal obligation, 46% of the taxable base, nor jointly with the corresponding amount of the Tax on Wealth of 70% of such base.

Regarding patrimony variations, the application of the actualization coefficient established in Article 27 of Law 9/1983 of July 13 on General Budget of the State for the fiscal year 1983 is extended for fiscal year 1984.

Dealing with assets or patrimonial elements acquired after Jan. 1, 1979, the increase as a result of applying the mentioned coefficient will be reduced in proportion to the time elapsed between the date of acquisition and Jan. 1, 1984.

Deductions: The marital deduction has been increased to 18,000 pesetas.

The deductions for children have also been increased, although very slightly, to 14,000 pesetas for each of the first three children and 19,000 for each additional children. Also, for fiscal year 1984 the General Deduction is increased to 17,000 pesetas.

Regarding personal expenses, the deduction for exceptional but not sumptuary expenses has been reduced to 10%, with a maximum limit fixed at 30,000 pesetas. As for deductions for purchase of shares of stock as well as the Internal Public Debt of the State, declared as exempt from taxation, 15% of such investments will be

deductible as long as the titles are held by the buyer for a minimum term of three years from the date of acquisition.

Regarding investments carried out in the restoration of buildings considered of historical value, as well as interest paid on loans for the acquisition of stock in the company where the taxpayer works, unless these interests are deducted as expense necessary for obtaining the revenues, for fiscal year 1984 only 10% of the investment will be deductible, not exceeding 30% of the taxpayer's taxable income.

This Law also introduces several provisions allowing a 10% deduction of dividends received by the taxpayer, as long as they have not resulted from any tax rebate or tax reduction under the Corporate Income Tax.

Also deductible will be 10% of the amounts contributed to foundations, associations, institutions or beneficial establishments, even those of a temporary nature, which have been declared as beneficial or of public interest. The deductible amount can not exceed 10% of taxable income.

10% of the amount of gifts given to the State or to territorial public entities will also be deductible, not to exceed 10% of taxable income.

A tax credit of 7,500 pesetas will be available for retirement pensions, old age pensions, disability benefits, and other social benefits, provided the gross income of the taxpayer does not exceed 500,000 pesetas.

1% of net earned income will also be deductible from the tax payable, with a maximum limit of 10,000 pesetas per person.

It should be pointed out that the amounts of withholdings corresponding to work and capital stock income are also deductible.

In connection with the **Corporate Income Tax**, the rates for fiscal year 1984 are as follows:

- 1) The general rate will be 35%.
- 2) Savings banks, credit cooperatives, mutual insurance companies, farmer banks will be taxed at the rate of 26%, and remaining cooperatives at 18%.
- 3) The tax rates applicable to legal entities not residing in Spain which obtain income subject to taxation, provided that this is not obtained through a permanent establishment, are as follows:

a) Generally, 18%.

b) 12% on the amounts paid to the parent company, or to a foreign company which controls the Spanish company, as payment for services connected with the running of the business, provided that there is a legal obligation to perform the services and that such performance has taken place.

c) 8% on income derived from leasing or use within Spain of films and other cinematographic products, including those used in advertising campaigns.

4. Those entities included in sections (e) of paragraphs 1 and 2 of Article 5 of the Corporate Income Tax Law will be taxed at 18%. This rate will not apply to the revenues which have been subject to withholding, which will be subject only to the withholding.

A 12% deduction is also provided for on the tax payable on the amounts invested as follows:

- 1) New fixed assets, excluding land.
- 2) Creation, planning or design of books and of prototypes having a direct connection with the editing of books.
- 3) The creation of branches of permanent establishments abroad, as well as the acquisition of shares of stock of a foreign company or the formation of affiliated companies directly connected with export activity, provided the export company acquires at least 25% of the capital stock of the affiliated company.

4) The payment abroad of public relations and advertising expenses in connection with the introduction of products, opening of new markets, and participation in fairs, shows, exhibitions and similar events.

5) This deduction will be 15% when the investment is in investigation programs or development of new products or industrial procedures.

6) However, the deduction will be 20% in the following cases:

- a) When the investment is a result of industrial restructuring or reconversion administratively approved.
- b) When the value of the goods and services of Spanish origin is at least 50% of the total investment.
- c) When the annual increase in the payroll exceeds 15% of the work force.

In order to apply the investment deductions, the following are requirements:

- a) That the invested amounts appear

in the non-liquid assets account, with the exception of the deduction mentioned in paragraph 4 above.

b) In the case of new fixed assets, that the patrimonial elements remain in the books of the company for a minimum of five years.

The Law also establishes the application of the following additional deductions:

a) 10% of the net investment carried out in the sections included in paragraphs 1, 2, 3, 4 and 5 above.

b) 25% of the payroll costs attributable to the creation of new jobs. The Law itself introduces the rules for the calculation of these costs.

All the deductions referred to above will have the following limitations:

a) 25% of the tax payable for the investments included in paragraphs 1, 2, 3, 4 and 5 above.

b) 30% of the tax payable when, in addition, new jobs are created.

The same limit applies when jobs are created without investment.

The additional deduction on the net investment will apply on the tax payable resulting after making all other deductions. This deduction will have no limit.

A deductible amount which exceeds the limits of the payable tax will be carried forward during the following four fiscal years.

Finally, it should be pointed out that in the application of the investment deductions the following rules will be observed:

1) The amount of the deductions will include the whole compensations paid, excluding interest and indirect taxes as well as surcharges.

2) The amount of the deduction will not exceed the amount which would have been agreed under normal conditions of the market between independent entities in connection with operations carried out:

a) Between entities which belong to the same group consolidated for tax purposes.

b) Between a company subject to the tax transparency system and its members.

c) Between a company and individuals or entities which have an equity in the company of at least 25%.

3) The same investment will not be deductible by more than one company.

The withholding tax on unearned in-

Let us solve your problems

Banco de Vizcaya speaks the language of your business.

INTERNATIONAL BANKING DIVISION:

Paseo de la Castellana, 110 - Madrid-6
Tel.: 411 2062 - Telex 22571-42382
Swift: VIZCFSMM

INTERNATIONAL BRANCH NETWORK:

New York Branch

400, Park Avenue, N.Y. 10022
Tel. (212) 826 - 1540
Telex: 66199
Swift: VIZC US 33

San Francisco Agency

650 California Street
San Francisco, California 94108
Tel. (415) 392 - 2530
Telex: 67534

Miami Agency

One Biscayne Tower, 38 th. Floor
2 South Biscayne Boulevard
Miami, Florida 33131
Tel. 305-358-9882
Telex: 441540

Nassau Branch

C/O Roywest Banking Corp. Ltd.
P.O. Box 4889 - BAHAMAS

London Branch

58-60 Moorgate
London EC2R 6BN
Tel. 1-920-0121
Telex: 893461/2

Paris Branch

15, Avenue Maignon, 75008 - Paris
Tel. (1) 359 55 09
Telex: 64 14 23/5

Amsterdam Branch

Herengracht 479
1001 JC Amsterdam
Tel. (020) 26 30 33
Telex: 13582 - 16288

Bahrain O.B.U.

Kanoo Tower (Phase III)
4th floor - Tujjard Rd.
Manama - State of Bahrain
Tels. 25 32 61 - 25 33 40
Telex: 9060 Bancay

REPRESENTATIVE OFFICES

Argentina

Avda. Corrientes, 311
Oficina, 101
Buenos Aires 1043
Tels. (541) 361 20 65 - 361 21 15
Telex: 17739

Brazil

Rua do Carmo, 11
Andar, 19
Rio de Janeiro-RJ
Tels. (5521) Area Code 2427076-
2428606
Telex: 2132591

Chile

Paseo de Ahumada, 254-3.^o
Oficina, 31. Santiago de Chile
Tel. (562) Area Code 726641
Telex: 40329 Baviz

México

Avda. Juárez, 4
Mexico, 1 D.F.
Tel. (525) 585 00 30
Telex: 1777460

Venezuela

Avda. Francisco Miranda -
Edificio Torre Europa
Oficinas 7 y 8 - Caracas
Tels. (582) 33 43 53 - 33 25 08
Telex: 23532

Germany

Friedensstrasse, 11
6000 Frankfurt/Main, 1
Tel. (611) 23 32 91
Telex: 413215

Japan

Yurakucho Denki Bldg. 652
7-1, 1 Chome - Yurakucho
Chiyoda-ku
Tokyo 100
Tel. (03) 287-0791
Telex: J 29472

Hong-Kong

2114 Connaught Center
Central Hong-Kong
Tel. 5 - 21 63 49
Telex: 62898

Italy

Via Alberico Albricci, 9
1.^a Interno D Scala A
Milan 20122
Tel. 875 525 - 867 661



Banco de Vizcaya

Gran Vía, 1 - Bilbao - Spain. Tel: (94) 416 64 00 Telex: 32040

come under the Individual Income Tax and under the Corporate Income Tax will be 18% for the fiscal year 1984.

Concerning the Turnover Tax, the Law fixes its general rate at 4%.

Regarding the Transfer Tax, the rate applicable for fiscal year 1984 concerning real estate transactions will be 6%.

20. Ministry of Economy and Finance. Order of Dec. 14, 1983 clarifying the term "used" required by the Third Preliminary Disposition, paragraph 3, of the Customs Tariffs, and Article 120 of the Customs Regulation for the importation free of duties for change of residence of the cars owned by Spanish public officials residing abroad (OSG Dec. 31, 1983).

21. Ministry of Economy and Finance. Royal Decree 3234/83 of Dec. 21, 1983 fixing the average prices of vehicles previously registered applicable to the transfers carried out from Jan. 1, 1984 (OSG Dec. 31, 1983).

22. Ministry of Economy and Finance. Royal Decree 3234/83 of Dec. 21, 1983, on temporary amendments of the customs duties applicable to certain goods (OSG Dec. 31, 1983).

COMMERCIAL

1. Ministry of Economy and Finance. Order of Sept. 20, 1983 approving the legal text which develops group 9 of the General Accounting Plan relative to Analytic Accounting (OSG Nov. 1, 1983).

2. Ministry of Economy and Finance. Order of Oct. 26, 1983 regulating the closing of the accounts for the year 1983, in regard to the Accounting of Public Expenditures (OSG Nov. 5, 1983).

3. Presidency of the Government. Correction of errors in Royal Decree 2690/83 of Oct. 13, 1983, partially amending the regulations on compulsory insurance for motor vehicles approved by Decree 3787/64 of Nov. 19, 1964 (OSG Nov. 15, 1983).

4. Ministry of Economy and Finance. Order of Nov. 9 1983 amending Order of July 1, 1982 on interest rates applicable to the financing of export operations having financial official support (OSG Nov. 25, 1983).

5. Office of the Head of State. Law

26/83 of Dec. 26, 1983 on cash availability coefficients required from financial intermediary institutions (OSG Dec. 27, 1983).

The present law establishes that the Ministry of Economy and Finance may require certain cash availability coefficients from financing intermediaries whose business is the receiving of funds from third parties and to make loans or place the funds in financial investment. The requirement will relate to the volume of funds received from third parties, intervened or guaranteed by the financing intermediaries, irrespective of the local nature of the means or instruments used.

The Ministry of Economy and Finance will determine which asset will be subject to the fulfilling of the coefficient requirement.

The maximum limit of the coefficients will be 20% of the calculated balances.

We should also point out that until the new coefficients are approved, the banks, savings institutions and credit cooperatives shall continue to apply the current coefficients, and the banks and savings institutions shall continue also to apply the current remunerated obligatory deposit coefficients.

6. Ministry of Economy and Finance. Order of Dec. 26, 1983 on cash availability coefficients required from the financial intermediary institutions (OSG Dec. 27, 1983).

This order specifies the financial institutions that fall under the cash availability coefficients required by Law 26/83 of Dec. 26, 1983. These entities are the following:

- a) The private banks, including Banco Exterior de España.
- b) The associations of savings institutions and Caja Postal de Ahorros.
- c) Credit unions.
- d) Mortgage credit companies.
- e) Financing institutions.

The financial operations upon which the cash availability coefficients will be applicable are the following:

- a) Deposits in checking accounts, savings accounts, term deposits or credits or loans received by financial intermediaries.
- b) Emigrant savings accounts.
- c) Certificates of deposit, promissory notes issued by an intermediary for its own financing and denominated in pesetas.

d) Bonds, obligations and other titles denominated in pesetas.

e) Funds derived from capitalization or insurance operations carried out by savings institutions.

f) Bills of exchange, promissory notes and other commercial effects endorsed or assigned to third parties.

g) Institutional promissory notes, with the guarantee of a financial intermediary.

If the drawee or endorsee of the negotiable instruments referred to in paragraph c) or f) is a financial intermediary subject to the coefficient provision, the issuing or transferor entity will not be subject to the provision. However, the financial intermediary which transfers them to a person not subject to the coefficient requirement will have to comply with it.

Finally, the temporary or accidental deficits in the coefficient coverage shall be compensated by the making of a deposit in the Central Bank for a period of time equivalent to and in an amount no less than that of the deficit nor larger than five times such deficit amount. These deposits, which will not be taken into consideration for compliance with the coefficient requirement, will receive the same rentability as the deposits or assets which, at its proper time, should have earned the coefficient or the normal rentability at the moment of constituting them, whichever is lower.

7. Ministry of Economy and Finance. Order of Dec. 20, 1983 increasing by 0.5 points the investment coefficient of private banks (OSG Dec. 27, 1983).

This increase is intended to finance the official credits granted as a result of the floods suffered in several autonomous territories.

8. Ministry of Economy and Finance. Order of Dec. 20, 1983 increasing by 0.25 points the investment coefficient of savings institutions.

This increase is also intended to finance the official credits granted because of the floods in several autonomous territories.

9. Ministry of Transportation, Tourism and Communications. Order of Dec. 19, 1983 amending Order of Dec. 29, 1982 which develops Royal Decree 2945/82 of June 4, 1982 on compensations to the transport of merchandise the origin or destination of which is the Canary Islands (OSG Dec. 28, 1983).

10. Ministry of Economy and Finance. Order of Dec. 28, 1983 partially amending the Ministerial Order of July 21, 1983, implementing Law 3/83 of June 29, 1983 (OSG Dec. 29, 1983).

LABOR

1. Ministry of Labor and Social Security. Royal Decree 2976/83 of Nov. 9, 1983 regulating the National Consulting Commission on Collective Agreements (OSG Dec. 2, 1983).

2. Ministry of Labor and Social Security. Royal Decree 3236/83 of Dec. 21, 1983 extending enforceability of Section 1 Chapter II of Royal Decree 1445/82 of June 23, 1982, regulating several measures for increase of employment (OSG Dec. 31, 1983).

3. Ministry of Labor and Social Security. Royal Decree 3238/83 of Dec. 28, 1983, fixing the international minimum salary for the year 1984 (OSG Dec. 31, 1983).

4. Ministry of Labor and Social Security. Royal Decree 3239/83 of Dec. 28,

1983 establishing incentives for hiring workers older than 45 years of age (OSG Dec. 31, 1983).

CONSTITUTIONAL COURT

1. Constitutional Court. Appeal on constitutional grounds No. 707/1983, filed by the President of the Government against Law 15/83 of July 14, 1983 of the Parliament of Catalonia on hygiene and food control matters (OSG Nov. 14, 1983).

2. Constitutional Court. Previous Appeal on constitutional grounds No. 800/83 filed by Mr. José María Ruiz Gallardón on behalf of 55 Deputies against the Organic Bill amending Article 417 bis of the Criminal Code (OSG Dec. 10, 1983).

3. Constitutional Court. Sentence of the Constitutional Court regarding the appeal on constitutional grounds No. 116/83 filed by Mr. José María Ruiz Gallardón on behalf of 55 Deputies against Royal Decree Law 2/83 of Feb. 23, 1983 on expropriation of the

RUMASA group (OSG Dec. 14, 1983).

Six of the twelve magistrates voted in favor of the denial of the appeal and the other six against. The majority was decided by the qualified vote of the President of the Court, who cast one of the six votes.

The remaining six magistrates issued a joint dissenting opinion to the effect that the Royal Decree-Law should be declared partially unconstitutional.

4. Constitutional Court. Appeal on constitutional grounds No. 794/83 filed by the Basque Government against several articles of Organic Law 1/83 of Aug. 25, 1983, on University Reform (OSG Dec. 29, 1983).

CRIMINAL LAW

1. Office of the Head of State. Organic Law 14/83 of Dec. 12, 1983 developing Article 17.3 of the Constitution on legal assistance to individuals arrested or jailed and amending Articles 520 and 527 of the Criminal Procedure Law (OSG Dec. 28, 1983).

COSTA LINE

RED SEA NAVIGATION LINE

COSTA LINE INDEPENDENT ITALIAN SERVICE
RO RO. CONTAINERS BREAKBULK
Regular frequent sailings between Atlantic & Gulf Ports and
GENOA, NAPLES, LEGHORN, BARCELONA, BEIRUT,
VALENCIA, LATTAKIA, ALEXANDRIA, TUNIS, TRIPOLI,
BENGHAZI, CASABLANCA, ALGIERS, ISKENDERUN

NAVIGATION RED SEA LINE INDEPENDENT REGULAR SERVICE
RO RO. CONTAINERS BREAKBULK
Regular, frequent sailings between
Atlantic & Gulf Ports and
AQABA, JEDDAH,
HOEDEDAH, PORT SUDAN,
YENBU, BAGHDAD

COSTA LINE CARGO SERVICES, INC.
26 Broadway, New York, N.Y. 10004 (212) 480-8282
Booking Offices in Major Port Cities

Spain's Economic Health Improves But Imports Will Decline

By RANDALL MILLER

After spending its first year in 1983 diagnosing and prescribing, Spain's socialist government sees no chance for the country's long-term recovery unless a heavy dosage of bitter medicine is administered swiftly. U.S. exports

are expected to continue the downward slide begun in 1983, as a result of the treatments planned to help the economy in 1984. U.S. exporters offering goods, services and technology that will assist Spanish firms to improve their international competitiveness will still find Spain a good market.

Trust us with your overnight shipment to Spain and South America

Choice Air International's personalized service philosophy

When you contact Choice Air International anywhere in the world, you're dealing with people. People you can trust.

Because the people at Choice understand the importance of your shipment, we have created a fully integrated network of member offices to provide you with the efficient, secure courier service you would expect from people you trust.



NEW YORK
(212) 683-2626

MADRID
246-3613

NATIONWIDE
(800) 223-5779

BARCELONA
243-2201

Firms offering products for domestic consumption, however, will have to wait for 1986 or later to enjoy a growth market.

U.S. shipments to Spain fell 20% last year to \$2.8 billion, closely tracking the peseta's 30% decline in strength versus the dollar in the same period. The U.S. share of total Spanish imports now stands at 11.4%, down 3 points from a year ago.

The Spanish government has four key treatments planned for stimulating GDP growth of 2.5% in 1984. The first—limiting inflation to an 8% increase versus last year's 12%—will require the government to increase tax revenues and to tug strongly on the reins of the money market. Loan interest rates will probably reach skyward in response, equalling or exceeding the 20-25% range of last year.

Because of high public sector employment in weak industries owned by the state holding company, I.N.I., the government's second treatment—limiting the public sector deficit to 5.5% of GNP from last year's 6%—will mean that real wages must decline in 1984 and probably in 1985 as well. The government has targeted a 6.5% wage increase for both the public and private sectors, against the expected 8% inflation. The prescription also does not envisage a major improvement in Spain's 18% unemployment rate, allowing for no more than a 0.8% reduction during the year, an effective addition of 110,000 jobs. Although this is far from the government's campaign promise to create 800,000 jobs in four years, it is considered a necessary prerequisite to future job expansion.

The government's third treatment—cutting the balance-of-payments deficit on current account from \$3.5 billion to a more digestible \$1.5 billion—will be attempted primarily by assisting exports to grow at an 8.5% annual rate and by attempting to hold import

specified, to 3%.

These three first actions are directed at the symptoms of Spain's economic ailment. The government plans to handle the underlying illness—an archaic industrial base—in its fourth treatment by administering injections of new technologies, new labor laws, and new money. Industrial reconversion plans are in progress for steel, shipbuilding, capital equipment, and textiles, while a new plan has been formulated for fostering an electronics industry. The plans provide for soft loans, tax deferrals, and the rationalizing of production by merging competitors. Changes in restrictive labor laws are being prepared to reduce the cost of supporting employees and to allow terminating those no longer required or qualified. The electronics plan is especially designed to encourage private injection of new technologies and capital, both foreign and domestic, and to provide a sheltered domestic market until the industry is on its feet.

So, while the first three treatments will depress U.S. export opportunities in the near term, the fourth should work in favor of U.S. exports. Good opportunities are expected in 1984 for U.S. suppliers of computers and peripherals, process control instruments, telecommunications equipment, industrial safety and security products, food processing and packaging equipment, electronic components, and electronics production and test equipment.

In March, the Commerce Department will organize a U.S. section at SIMO, an exhibition for safety and security equipment. An electronic components and test equipment trade mission is scheduled for April. A U.S. section is planned for the Spanish chemical exhibition, EXPOQUIMA, in November, to promote chemical compounds and process control instruments.



The Golf Explosion on the Costa del Sol

In a two week vacation you could play a new and different course every day!

Of all the development that's been taking place along the Costa del Sol over the years, none is as surprising as the virtual explosion in golf course construction that has occurred since the opening of the course at the Club de Campo de Málaga in 1925.

During the 1960s and 70s, vast expanses were sketched out across the landscape by designers of the calibre of Robert Trent Jones, Gary Player, and Javier Arana. Today, sixteen separate courses dot the 70-odd mile strip of coastline—an average of one course every five miles.

Barring periods of tournament play and the like, virtually all are open to tourists, many with discounted greens fees or no charge at all to patrons of certain hotels. In effect, during a two week stay on the Costa del Sol, a golfer could play a different course every day.

Generally, greens fees run from a low of about \$8 to a high of about \$15. Clubs can be rented at all the courses, and electric and hand carts are available, as are caddies.

In the United States, two tour operators specialize in golf programs: Golf Intercontinental (1440 Broadway, New York, N.Y., 212-840-4346); and Golf Getaways (16661 Ventura Boulevard, Encino, California, 213-990-2782). Also, fully independent programs are available through the Iberia Airlines tour desk.

The selection of courses looks like this:

Mijas Golf. Hotel Las Palmeras, Paseo Marítimo, Fuengirola; tel: 462-942. 18 holes, par 72. A flat, open course with lots of water and bunkers.

Nueva Andalucía. Marbella; tel 811-145. Three courses — *Las Brisas*; 18 holes, par 72; tight fairways, water and sand traps. *Los Naranjos*; 18 holes, par 72. Rolling course for straight shooters only. *Short course*; 18 holes, par 56.

Club de Campo de Málaga. Torremolinos; tel: 381-120; 18 holes, par 72. Flat and sandy, reminiscent of a British layout.

Atalaya. Atalaya Park, Estepona; tel. 813-049. 18 holes, par 72; flat but well bunkered; interesting design.

El Paraíso. Km. 173, Crta. de Cádiz, Estepona; tel. 812-840; 18 holes, par 72; hilly, with superb greens.

Sotogrande. Sotogrande (Cádiz), in Guadaro; tel. 956-792-050. Three courses: *Old Course*; 18 holes, par 71; water, bunkers, and flat. *New Course (Las Aves)*; 18 holes, par 72; rolling and difficult. *Executive Course*; 9 holes, par 29.

Club Torrequebrada. Crta. de Cádiz, Km. 225, Bealmedana-Costa; tel. 442-926; 18 holes, par 72. A spectacularly scenic and hilly course.

Guadalmina Club de Golf. San Pedro de Alcántara; tel. 812-414. Two courses: *Guadalmina Norte*; 18 holes, par 72; rolling and tight. *Guadalmina Sur*; 11 holes, par 43.

Aloha Golf. Finca el Angel, Nueva Andalucía; tel. 813-516. 18 holes, par 72. Hilly and interesting; very scenic.

El Candado. Urb. El Candado, El Palo, Málaga; tel. 290-490. 9 holes, par 68.

Rio Real. Los Monteros, Marbella; tel. 773-776. 18 holes, par 72. Challenging and hilly; well manicured.

Fairs and Exhibitions, 1984

JANUARY, INTERNATIONAL

VALENCIA, Jan. 17-21: **TEXTILHOGAR-84** (International Exhibition of Household Textiles); Apartado 476, Valencia.

BARCELONA, Jan. 21-29: **International Boat and Caravan Show**; Avda. Reina M^a Cristina, Barcelona-4.

ZARAGOZA, Jan. 27-31: **ENOMAQ-84** — Exhibition of Wine-cellar Machinery and Equipment; Apartado 108, Zaragoza-9.

MADRID, Jan. 31-Feb. 5: **FITUR-84** — International Tourism Fair; Avda. Portugal, s/n, Madrid-11.

JANUARY, NATIONAL

MADRID, Jan. 13-18: **IBERJOYA** (National Jewelry Show); Recinto Ferial de la Casa de Campo, Avda. de Portugal, s/n; Madrid-11.

MADRID, Jan. 14-16: **REGALOFAMA** (Gift Showcase); Avda. de Portugal, s/n, Madrid-11.

MAHON (Menorca), Jan. 23-26: **SEBIME** (National Costume Jewelry Fair); Polígono Industrial, Apartado 353, Mahón (Menorca).

ALMERIA, Jan. 23-29: **III EXPO-AGRO**.

FEBRUARY — INTERNATIONAL

VALENCIA, Feb. 9-15: **FEJU-84** (International Toy Fair) Apartado 476, Valencia.

VALENCIA, Feb. 11-13: **FIMIJ-84** (International Children's and Teenagers' Fashion Fair); Apartado 476, Valencia.

VALENCIA, Feb. 11-15: **DIPA-DIDASTEC PAPELERIA —84** (International Special Teaching Materials, Techniques and Stationery Show); Apartado 476, Valencia.

BARCELONA, Feb. 16-19: **International Fashion Show (First Edition)**; Avda. Reina M^a Cristina, Barcelona-4.

BARCELONA, Feb. 16-19: **MODAPUNTO-84** (Knitted Goods Exhibition, First Edition); Avda. Reina M^a Cristina, Barcelona-4.

MADRID, Feb. 24-26: **INTERMODA-84** (International Mid-Season Fashion Show); Avda. Portugal, s/n, Madrid-11.

MADRID, Feb. 24-26: **IBERMODA-84** (Spanish Fair of Men's Fashions, 1st Edition); Avda. Portugal s/n, Madrid-11.

MADRID, Feb. 24-26: **IMAGENMODA-84** (Ladies Fashion Fair); Avda. Portugal s/n, Madrid-11.

ZARAGOZA, Feb. 24-28: **SMOPYC-84** (Public Works and Construction Machinery Exhibition); Apartado 108, Zaragoza-9.

FEBRUARY — NATIONAL

MADRID, — : **FECATIR** (Hunting and Shooting Fair); Avda. Portugal, s/n, Madrid-11.

BILBAO, Feb. 13-19: **BIMO-84** (Biennial Fair of Furniture and Accessories); Apartado 468, Bilbao.

BILBAO, Feb. 13-19: **INTERARTE-84** (Interior Design Fair); Apartado 468, Bilbao.

MARCH — INTERNATIONAL

VALENCIA, March 1-5: **CEVISAMA-84** (Ceramics, Glass and Building Materials Exhibition); Apartado 476, Valencia.

MADRID, March 5-8: **SICUR-84** (International Security Exhibition); Avda. Portugal, s/n, Madrid-11.

BARCELONA, March 10-15: **ALIMENTARIA-84** (International Food Fair); Avda. Reina M^a Cristina, Barcelona-4.

ELDA (Alicante), March 13-16: **International Footwear Show, First Edition**; Apartado 104, Elda (Alicante).

MADRID, March 17-25: **Do-It-Yourself Exhibition**; Avda. Portugal, s/n, Madrid-11.

BILBAO, March 26-31: **AMBIENTE-84** (International Specialized Exhibition of Heating, Air Conditioning, Plumbing and Sanitary Ware, Heat and Acoustic Insulation); Apartado 468, Bilbao.

BILBAO, March 26-31: **PROMA-84** (International Environmental Pollution Control Exhibition); Apartado 468, Bilbao.

BARCELONA, March 29-April 1: **RODATUR-84** (Road and Rail Tourist Fair); Avda. Reina M^a Cristina, Barcelona-4.

BARCELONA, March 30-April 2: **Ready-to-Wear Fashion Show - Spring Edition**; Avda. Reina M^a Cristina, Barcelona-4.

MARCH — NATIONAL

MADRID, March 17-25: **EXPO-OCIO** (Leisure Time Show); Avda. de Portugal, s/n, Madrid-11.

MADRID, March 22-26: **IMPACT-84** (National Communication, Publicity and Marketing Exhibition); Avda. de Portugal, s/n, Madrid-11.

BILBAO, March 22-April 1: **ANTICUARIOS-84** (Antiques Fair); Apartado 468, Bilbao.

VALLADOLID, March 28-April 1: **BICI-MOTO** (Bicycle, Motorcycle and Accessories Show); Apartado 423, Valladolid.

BARCELONA, March 30-April 2: **Winter Sports Exhibition**; Avda. Reina M^a Cristina, s/n, Barcelona-4.

APRIL — INTERNATIONAL

BARCELONA, April 7-12: **EXPOMOVIL-84** (International Exhibition of Equipment and Components for the Vehicle Industry); Avda. Reina M^a Cristina, Barcelona-4.

ZARAGOZA, April 7-15: **FIMA-84** (International Technical Farming Machinery Show); Apartado 108, Zaragoza-9.

VALENCIA, April 11-16: **CEVIDER-84** (Special Ceramics, Glass and other Decorative Items International Fair); Apartado 476, Valencia.

VALENCIA, April 11-16: **FIAM-84** (International Metal Art, Lamps and Jewelry Fair); Apartado 476, Valencia.

NATIONAL AND INTERNATIONAL FAIRS AND EXHIBITIONS IN SPAIN, WITH CONTACT ADDRESS OF SPONSOR

MADRID, April 27-May 6: **ESPAÑA-84 (World Philatelic Exhibition)**; Avda. Portugal, s/n, Madrid-11.

SEVILLA, April 27-May 7: **Iberoamerican Exhibition**; Apartado 4016, Sevilla.

APRIL — NATIONAL

MADRID, April 4-8: **IBERPIEL—PELETERIA (National Leather and Fur Exhibition)**; Velázquez, 4; Madrid.

VALLADOLID, April 8-13: **EQUILIMP (National Cleaning Equipment Fair)**; Apartado 423, Valladolid.

MADRID, April 13-15: **VI Footwear Week**; Avda. Portugal s/n, Madrid-11.

MAY — INTERNATIONAL

ELDA (Alicante); 1st Fortnight of May: **MODATEC-84 (International Footwear and Related Industries Show)**; Apartado 104, Elda (Alicante).

VALENCIA, May 5-13: **FIV-84 (International Fair of Valencia)**; Apartado 476, Valencia.

VALENCIA, May 9-13: **International Exhibition of Music, Musical Instruments and Accessories**; Apartado 476, Valencia.

MADRID, May 18-21: **EXPO-OPTICA 84 (National Optical and Optometric Exhibition)**; Avda. Portugal s/n, Madrid-11.

VALENCIA, May 24-27: **EXPOFARMACIA (International Exhibition for the Pharmaceutical Industry)**; Apartado 476, Valencia.

MAY — NATIONAL

MADRID, May 3-7: **MOGAR (National Furniture Fair)**; Avda. Portugal s/n, Madrid-11.

VALENCIA, May 5-8: **MUNDO BELLEZA-84 (II Cosmetics, Perfumes, Hair Products and Drugs Show)**; Apartado 476, Valencia.

MADRID, May 11-15: **IBERDISCO (National Recording Industry Show)**; Avda. Portugal, s/n; Madrid-11.

BILBAO, May 18-27: **EXPOCONSUMO (Consumer Goods Fair)**; Apartado 468, Bilbao.

BILBAO, May 18-27: **EXPOVACACIONES (Tourism and Leisure Time Fair)**; Apartado 468, Bilbao.

SEVILLA, May 22-27: **Kitchen and Bathroom Furniture Show**; Apartado 4016, Sevilla.

JUNE — INTERNATIONAL

BARCELONA, June 2-10: **International Fair of Barcelona**; Avda. Reina M^a Cristina, Barcelona-4.

JUNE — NATIONAL

LERIDA, JUNE 1-4: **INCOPORC (National Pork Industry Fair)**; Apartado 106, Lérida.

JULY — NATIONAL

EL FERROL, July 14-25: **Northwestern Samples Fair**; Apartado 201, El Ferrol (La Coruña).

AUGUST — NATIONAL

GIJON, August 4-19: **XXVIII National Samples Fair of Asturias**; Instituto, 17; Gijón.

SEPTEMBER — INTERNATIONAL

ELDA (Alicante), Sept. 11-14: **FICC-84 (International Footwear Show, 2nd Edition)**; Apartado 104, Elda (Alicante).

VALLADOLID, Sept. 11-23: **International Fair of Valladolid**; Avda. Ramón Pradera, Valladolid.

VALENCIA, Sept. 13-16: **FIMIJ-84 (International Children's and Teenagers' Fashion Fair)**; Apartado 476, Valencia.

BARCELONA, Sept. 25-30: **LIBER-84 (International Book Fair)**; Avda. Reina M^a Cristina, Barcelona-4.

VALENCIA, Sept. 25-30: **FIM-84 (International Furniture Fair)**; Apartado 476, Valencia.

MADRID, Sept. 28-30: **INTERMODA-84 (International Fashion Show)**; Avda. Portugal s/n, Madrid-11.

MADRID, Sept. 28-30: **IBERMODA-84 (Men's Fashion Exhibition)**; Avda. Portugal, s/n, Madrid-11.

MADRID, Sept. 28-30: **IMAGENMODA-84 (Women's Fashion Exhibition - 2nd Edition)**; Avda. Portugal, s/n, Madrid-11.

SEPTEMBER — NATIONAL

MADRID, Sept. 4-7: **REGALOFAMA (VII National Giftware Show)**; Avda. Portugal, s/n, Madrid-11.

BARCELONA, Sept. 15-18: **Sports and Camping Show**; Avda. Reina M^a Cristina, Barcelona-4.

MADRID, Sept. 15-17: **FIDEC (II National Sporting Goods Show)**; Avda. Portugal, s/n, Madrid.

MAHON, Sept. 16-20: **SEBIME (National Costume Jewelry Fair)**; Polígono Industrial, Apartado 353, Mahón (Menorca).

BARCELONA, Sept. 17-20: **PROMO-REGALO-84 (Promotional and Business Gift Show)**; Avda. Reina M^a Cristina, Barcelona-4.

ZARAGOZA, Sept. 21-25: **INTERIORISMO (National Monographic Interior Decoration and Equipment Show)**; Apartado 108, Zaragoza.

BARCELONA, Sept. 22-28: **EXPOHOGAR-84 (National Home Show)**; Avda. Reina M^a Cristina, s/n, Barcelona-4.

LERIDA, Sept. 23-30: **National Agricultural and Fruit Fair**; Apartado 106, Lérida.

OCTOBER — INTERNATIONAL

MADRID, Oct. 1-5: **TEM-84 (International Municipal Equipment Techniques Exhibition)**; Avda. Portugal, s/n, Madrid-11.

BARCELONA, Oct. 1-7: **SONIMAG-84 (International Image, Sound and Electronics Show)**; Avda. Reina M^a Cristina, Barcelona-4.

FAIRS AND EXHIBITIONS, 1984

BILBAO, Oct. 3-6: **FERROFORMA-84** (International Hardware Exhibition); Apartado 468, Bilbao.

VALENCIA, Oct. 18-22: **IBERFLORA-84** (International Horticultural Show); Apartado 476, Valencia.

BARCELONA, Oct. 23-28: **TECNOALIMENTARIA-84** (International Catering Equipment Exhibition); Avda. Reina M^a Cristina, Barcelona-4.

BILBAO, Oct. 23-31: **Biennial International Machine Tools Fair**; Apartado 468, Bilbao.

BARCELONA, Oct. — : **Ready to Wear Fashion Show, Autumn edition**; Avda. Reina M^a Cristina, Barcelona-4.

OCTOBER — NATIONAL

TORRELAVEGA, Oct. — : **EXPO LACTEA-84** (Dairy Show); Avda. Fernando Arce, 6; Nueva Ciudad; Torrelavega (Santander).

BARCELONA, Oct. 1-7: **EXPDOMESTICA-84** (National Household Appliances Show); Avda. Reina M^a Cristina, Barcelona-4.

ZARAGOZA, Oct. 4-14: **FONM** (Official National Samples Fair); Apartado 108, Zaragoza.

EL FERROL, Oct. 6-14: **National Fair of the Naval Industry**; Apartado 201, El Ferrol (La Coruña).

MADRID, Oct. 12-14: **VII Footwear Week**; Avda. Portugal s/n, Madrid-11.

SEVILLA, Oct. 31-Nov. 4: **SANITARIA-84** (Medical, Pharmaceutical, Hospital and Surgical Equipment Show); Apartado 4016, Sevilla.

MADRID, Oct. 31-Nov. 4: **TURINVER-84** (National Tourism, Mountaineering and Winter Fair); Avda. Portugal, s/n, Madrid-11.

MADRID, Oct.-Nov. — : **IBERPIEL** (XVI National Leather and Luggage Show); Velázquez, 4; Madrid.

Business Opportunities

SPANISH FIRMS SEEKING U.S. REPRESENTATION

(CONTINUED FROM PAGES 38 AND 39)

Seeks U.S. representation: Spanish organization which represents manufacturers seeks representative or firm to oversee their stand during U.S. trade shows, who may, if he wishes, keep all the samples for his own representation or distribution. Contact Sr. D. José García Sancho, Director; EXCOFE, P.O. Box 860, Valencia-18.

GRAPHIC ARTS: Spanish graphic arts firm specializing in books, pamphlets, catalogs, magazines etc., as well as all types of lithographed containers, seeks responsible agent or representative in New York area and also in Los Angeles and San Francisco. Contact: Sr. D. Rafael Stefano, Presidente; Gráficas Sorima, S.A., Polígono Ind. Guadalhorce, Parcelas A 5/7, Málaga.

SURGICAL COVERS for sterile and operating rooms: Spanish manufacturer sells automatic machine which manufactures surgical covers for sterile and operating rooms. Makes 4000 covers per hour with a Spanish patented system that attaches the incorporated elastic with staples on both sides. Patent Model No. 24546818, for a period of 20 years. Contact: Sr. D. Gabriel Estrany Cantallops; Gráficas Plásticas, S.L.; Francesc de Borja Moll, 22 B, Palma de Mallorca-3.

NOVEMBER — INTERNATIONAL

ELDA (Alicante), 1st fortnight of Nov.: **MODATECC-84** (International Footwear and Related Industries Show); Apartado 104, Elda (Alicante).

LAS PALMAS, 1st fortnight: **International Fair of the Canary Islands**; Apartado 50, Las Palmas de Gran Canaria.

MADRID, Nov. 16-23: **SIMO-84** (International Office and Data Processing Show); Avda. Portugal s/n, Madrid-11.

BARCELONA, Nov. 19-24: **EXPOQUIMIA-84** (Applied Chemistry Show); Avda. Reina M^a Cristina, Barcelona-4.

ZARAGOZA, Nov. 20-24: **ROBOTICA-84**; Apartado 108, Zaragoza-9.

VALENCIA, Nov. 21-25: **FIMMA-MADERALIA-84** (International Woodworking Machinery Fair); Apartado 476, Valencia.

NOVEMBER — NATIONAL

MADRID, Nov. 6-10: **TECNOVA** (National Industrial Innovation and Technology Fair); Avda. Portugal s/n, Madrid-11.

MADRID, Nov. 6-10: **II Subcontracting Show**; Avda. Portugal, s/n, Madrid 11.

SEVILLA, Nov. 24-26: **ACICAL-84** (Hairdressing and Cosmetics Show); Apartado 4016, Sevilla.

MADRID, Nov. 29-Dec. 9: **FERIARTE** (VIII Spanish Antiques Fair); Avda. Portugal, s/n, Madrid-11.

DECEMBER — NATIONAL

ZARAGOZA, Dec. 14-18: **FORESTAL** (National Show of Forestry Machinery, Transport, Drying, Sawmills, Residue Exploitation, Clothing and Auxiliary Equipment); Apartado 108, Zaragoza.

MIRRORS: Spanish firm seeks well established firm/agent who could distribute/market the following products in a committed way on an exclusive basis. High quality, extremely original hand-made mirrors in exceptional designs. Contact: Sr. D. L. Cardona, Victoria Europa, S.A., c/Palau, 14, 1^o, Valencia-3.

MESH BAGS designed for the protection of garments in all types of washing machines: Spanish manufacturer seeks representative for his new line. Contact: Mallalava, S.L., Jordana, 19, 1^o Izqda.; Zaragoza-10.

PRECISION FORGING (MICRO-FUSION): Major Spanish firm seeks agent with good knowledge in this area. Company representative will meet with candidates during visit to New York in late March. Contact: Maquinas de Coser Alfa, S.A., Apartado 30, Elbar (Guipúzcoa); Telex: 36154 ALFA E.

HATS: Seeks representative for line of hats. Contact: Jamir, S.L.; Apartado de Correos, 9, Avenida A. Villalonga, 52, Pedreguer (Alicante).

OLIVE PRODUCTS: Seeks distributor for olive products. Will take part in the International Gourmet Products Show on May 20-23, 1984 in San Francisco. Those interested in contacting us may go directly to the Trade Show Center, Stand 5609. Sr. D. Emilio Signes, Presidente, Signes-Grimalt, S.A.; Ctra. Murcia-Valencia, Km. 164.5, Gata de Gorgos (Alicante).

News in Brief . . .

Special Gala May 19th to Celebrate Chamber's Silver Anniversary

Saturday evening, May 19th, 1984 will be a very special occasion for the Chamber: The gala Dinner-Dance celebrating the 25th Anniversary of its founding, to be held in the Grand Ballroom of the Pierre Hotel. The Dinner-Dance Committee and its chairman, José Peces Perezagua, as well as the Chamber staff, will be going all out to make this the best in a 25 year history of memorable Chamber events.

In recognition of this milestone, King Juan Carlos I and Queen Sofia of Spain have asked the King's parents, the Count and Countess of Barcelona, to represent them. Heading the list of other distinguished guests is Ambassador Gabriel Mañueco.

In keeping with the Chamber tradition of taking as a theme for the annual gala a Spanish city or region, this year the focus will be on San Sadurni de Noya (Barcelona). This is the city which is the center of the production of the Spanish champagnes which have been one of Spain's great success stories in the past few years, capturing a healthy share of the U.S. market and winning the acclaim of wine critics.

There will be, as always, one of America's top dance orchestras. In addition, there will be a particularly fine show from Spain, an especially fine dinner, and a lavish array of gifts and prizes.

If you have not already marked your calendar for May 19th, be sure to do it now!

Spain Tops List of Arms Purchasers from the United States

In the year ended June 30, 1983 Spain headed the list of buyers of U.S. arms, according to the Institute of Strategic Studies in London, as quoted by the Spanish Economic News Service. Spain's purchases of \$3.283 billion topped those of Great Britain (\$3.2 billion). During the period Spain bought 72 F-18 combat planes (\$2.6 billion), 12 AV8-B vertical takeoff aircraft (\$379 million), 10 helicopters (\$275 million) and 12 Harpoon missiles (\$29 million).

Spain's Debt to U.S. Banks Down 3.1% in Six Months to June 30th

The combined debt of Spanish public and private borrowers to U.S. banks as of June 30, 1983 was \$6.2 billion, down 3.1% from December 31, 1982. This compares to the U.S. banks' overall foreign loans of \$356 billion, up 2% from December 31st. Spain ranks 17th among U.S. debtor nations, according to figures of the Federal Reserve Board.

Scott Paper to Invest \$44 Million in Improved Spanish Facilities

Scott Paper International will invest 6,600 million pesetas (about \$44 million) in Spain over the next five years, according to the Spanish Economic News Service. The investment will be used to develop its facilities, boost production, and encourage exports; employment will be increased by 50 to 100 workers. Scott Paper International will provide 3,600m. ptas. to Guerola, with which its Spanish affiliate merged in 1965, raising Scott's participation in Guerola from 50% to 93%. The balance will be provided by a 7-year loan by Chemical Bank, Bank of America, and Morgan.

Guerola bills about 5,000m. pesetas (\$33 m.) annually, of which 1,000m. ptas. is exported, and produces 50,000 tons of tissue paper per year, which gives it 30% to 35% of the Spanish market. That market has expansion potential since the per capita consumption of tissue paper in Spain is 3 kilograms vs. 5 kilograms in other European countries.

Banco Central Report Urges Greater Spanish Role in Latin America

Measures to help Latin American nations cope with their external financial problems are outlined in a report prepared by Alfonso Escámez, president of Banco Central, according to the Spanish Economic News Service. In the report, which is being studied by top Spanish and Latin American officials, Mr. Escámez calls for an expanded Spanish role in the countries which share its language, cultural and history, and in which many inhabitants are of Spanish descent. These countries, he feels, are in great danger of slipping backwards economically to the level of the poorest developing countries.

Since the Latin American countries have an abundance of assets and productive capacity, says Mr. Escámez, they are not bankrupt; their problem is a liquidity shortage—a shortage which creditor banks have shown no willingness to ameliorate. He calls for the European nations, and especially Spain, to take the initiative in financial talks between the debtor countries and the banks and international financial organizations. Such talks, Mr. Escámez says, should aim at rescheduling debts over about 14 years, with a seven-year grace period, at the lowest possible rates of interest. Supplementing this should be soft export credits granted by European nations. In return, the Latin American nations would agree to operate under IMF adjustment programs and accept IMF supervision.

Business Opportunities

SPANISH PRODUCTS OFFERED

Office furniture:

Mobiliario Assia
Apartado 18
Valis (Tarragona)

Paintings:

Sumex
Periodista Azzati, 11-5°
Valencia-2

Machines for the manufacture of flat glass:

Vitor Matio Iberica
Calle Folgarolas, 4 y 6
Barcelona-22

Office furniture:

Roneo
Unión Cerrajería, S.A.
Lagasca, 16 - 1° decha
Madrid-1

Ophthalmological instruments; toys; china figurines; tiles; alabaster articles:

Teran Alonso y Asociados, S.A.
Calle Méjico, 61 - 6° 2°
Apartado de Correos, 138
Coslada (Madrid)

Marble and granite:

Miesma
Calle Mar, 17
Valencia-3

Coated welding electrodes; electric welding machines; wire electrodes:

Cia. Anónima de Electrodo
Avda. Infanta Carlota, 56
Barcelona-29

Hunting guns and rifles; air guns; leather articles for hunting (shackles, etc.):

Borchers, S.A.
Apartado 22
Guernica (Vizcaya)

Jewelry, precious metals:

Carrod Inversiones
Ramón y Cajal, 25
Jerez de la Frontera (Cádiz)

Chess sets; tables; etc.

Escacs
Lleida, 3
Gurb-Vic (Barcelona)

Paints; polyurethane enamels and insulating varnishes, etc.:

Pinturas Maresma, S.A.
Ronda de Alfonso X el
Sabio, 118
Mataró (Barcelona)

Steam and hot water radiators:

Amorco Products, S.A.
Via Augusta, 17-19
Barcelona-6

Stainless steel tubes:

Sidergalicia, S.A.
Provenza, 281-3° 2°
Barcelona

Bridal accessories:

Flores Cid, S.A.
Ntra. Sra. Desamparados, 10
L'Hospitalet de Llobregat
(Barcelona)

Rustic style furniture:

Pedro Santana Cavallera
Avda. Villajoyosa, 97
Albufera (Alicante)

Books:

Ediciones Ceac
Perú, 164
Apartado de Correos 926
Barcelona-20

Saffron; paprika; anisette:

Industrias Reverte, S.L.
P.O. Box 54
Espinardo (Murcia)

Carded fabrics, ribbons:

Guarnicard, S.A.
Calle Alemania, 9
Sabadell (Barcelona)

Red wines (3, 5 and 12 years old):

Fernando Stuyck
Livinio Stuyck, S.A.
Santa Engracia, 15. 2° decha
Madrid-20

School supplies; office punches, paper hole perforators, staplers, etc.:

Industria Petrus, S.A.
Paseo Torres y Bages, 28-30
Barcelona-30

Leather goods:

Sr. D. Fermín Galán Lerena
Juan José Martínez Seco, 17
Madrid-21

Religious books:

Sr. D. Alfredo Ortells
Alfredo Ortells Ferriz
Calle Sagunto, 5
Valencia-9

Chenille threads:

Sr. D. Tomás Ramirez
Agente Comercial Colegiado
Apartado 15
Cocentaina (Alicante)

Upholstered furniture (Louis XV, XVI; English, traditional and bamboo, authentic woods, etc.):

Sr. D. Antonio Raga Asins
Muebles Tapizados Raga, S.A.
Cami del Bon, 4. Pol. Ind.
(Apartado de Correos 32)
Catarroja (Valencia)

Valves: Gate, throttle, stop and safety:

Sr. D. José Pastoriza
Talleres Pastoriza, S.A.
Pol. Ind. Zona Franca
(Cádiz)

Analysis and precision scales:

Sr. D. Santiago Castellort
Balanças Cobos, S.A.
Calabria, 236-240
Barcelona-29

Footwear:

Sr. D. José P. Ortells
Gaterexport, S.L.
Torrehermosa, 16. 5° 11°
P.O. Box 101
Villarrela (Castellón)

Footwear; leather goods; ready-to-wear:

X. Ponsi Anton
Ecuador, 32 - 2° 2°
Barcelona-29

Laboratory equipment and instruments:

Montajes Navarra, S.L.
Berripiano (Navarra)

Canned fish and vegetables:

Sr. D. José Rodríguez Peña
Exposur, S.A.
Picadueña Alta,
c/1 Buganvilla, 7
Jerez de la Frontera (Cádiz)

Vinegars; wines:

Bodegas Menestheo, S.A.
c/o Zoilo Ruiz Mateos
Camacho s/n
Apartado de Correos 655
Jerez de la Frontera (Cádiz)

Hair removers of virgin wax;

industrial waxes:

Parque Santa Maria
Att. Mr. Werer Schnaidt
Santa Virgilia, 16 - 10B
Madrid-33

Ladies blouses:

Sr. D. Ken Sewell
Ken Sewell, S.A.
Travesera de Gracia, 15 - 4° 1°
Barcelona-21

Belts and suspenders for men, women and children:

Manufacturas Vaello, S.A.
C/ Pintor Gisbert, 15 bajos
Valencia-6

Trousers for training and exercise; skirts, shirts:

Industrias Mercury, S.A.
Carretera de Logroño, Km. 2400
Pol. El Portazgo, nave, 8
Zaragoza-11

Import-export in general:

EXCOEX
c/ Belando, 13
P.O. Box 31-70
Alicante

Children's knitted clothing:

Tece, S.L.
Carnicerías, 14
Valencia-1

Bimonthly publication on the different activities of Basque industry:

Sr. D. José Luis Blanco Zamora
Director
EMPRESA XXI
Iuchana 6 - 2°B
Bilbao-8

Knitwear articles for men, women and children, both outer and innerwear; will supply samples if desired:

Sr. D. Ramón Gilabert
i Franquesa
Agent Comercial Colegiado
Avda. Reis Católicos, 20, 1°
Igualada (Barcelona)

Men's, women's and children's ready-to-wear:

Fitex, S.A.
Carretera de Tudela, s/n
Fitero (Navarra)

Foot pumps:

Manufacturas Artículos
Camping
Juan de Garay, 1-3
Barcelona-26

Bowling alley equipment and installations (up-to-date and of high quality):

BLF, S.L.
Carretera de Valencia, Km. 7
Naves, 2 y 3
Cuarte de Huerva (Zaragoza)

Animal feed pellets:

Leng D'Or, S.A.
C/ Industria, 10
Pol. Ind. Conde de Sert
Castell Bisbal (Barcelona)

Bottled mineral water; sweet muscatel wine; tiles; vegetable; disposable paper products; needles:

Sr. D. José Miguel Brea Blasco
Brea Internacional
Apartado de Correos, 598
Castellón

Machinery for the manufacture of glass:

Sr. D. J. Pigem Jutglar
Meléndez, 55
Mataró (Barcelona)

Rugs and carpets:

Textimás, S.A.N.C.R.
Paseo de Elche, 1 y 3
Crevillente (Alicante)

Artistic and industrial ceramics; furniture; footwear; rugs:

Sr. D. Juan Ahicart Cadafaitch
Avda. San Isidro, s/n Torre
Adzaneta (Castellón)

Oil paintings of high quality, specialists in custom-ordered paintings:

Catala, S.L.
La Coveta Fuma
Campello (Alicante)

Fruit juices; canned vegetables:

Zumley
Agroproductos, S.A.
Bretón de los Herreros, 48
Madrid-3

CAVA sparkling wine, "Methode Champenoise":

Sr. D. A. Tonera
Bernad Puges, S.A.
Gran Via Carlos III
58-60 F. entlo., 2°
Barcelona-28

SPANISH FIRMS SEEKING U.S. REPRESENTATION

FOOTWEAR: Seeks representative. Contact: Grupo Internacional del Calzado, S.A., c/ Carretera de Alicante, 92; Murcia-7.

DECORATIVE OUTDOOR LIGHTING (Gardens, pools, etc.); seeks sales agent. Contact: Sr. D. Carlos Catalan, Gerente; FERMAMM; Matanzas, 6; Barcelona-27.

DESIGNER JEANS: Seeks business contacts with firms specializing in Designer Jeans—e.g. Jordache, Calvin Klein, Gloria Vanderbilt etc. Contact: Director-Gerente; CONTUC, S.A.; Cortilla, 2; Martos (Jaen).

MORE LISTINGS ON PAGES 36 AND 39

Oportunidades Comerciales

PRODUCTOS ESPAÑOLES SOLICITADOS

Artículos de viaje; cinturones; bolsos de piel para señora; monederos y otros artículos diversos:

Select Enterprises
c/o Brett Little
Talmadge Lane
Litchfield, CT 06759

Escalabornes de brezo para la fabricación de pipas de fumador:

Mr. Wally Frank
Weber Briars, Inc.
140 Cator Avenue
Jersey City, NJ 07305

Cintas:

Mr. Arturo M. Ottolenghi
Red Hill Corp.
1063 Canyonview Drive
Sagamore Hills, Ohio 44067

Calzado:

Mr. Joseph Buratti
Brockton
263 Main Street
New Britain, CT 06051

Diversos artículos para compra por correo:

Mr. Steve Kovacs
11025 Occidental Avenue S
Seattle, WA 98168

Productos siderúrgicos y primeros transformados:

Mr. Walter H. Mollenauer
Eisenberg & Co.
USA Agency, Inc.
4 East 39 Street
New York, N.Y. 10016

Import-Export in general:

Mr. Kevin A. Cooper
Cooper Import/Export
P.O. Box 9365
Wilmington, DE 19809

Cerámica y cristalería:

Mr. C. S. Barker
World Wide Brokers, Inc.
P.O. Box 1787
Elk City, OK 73687

Productos siderúrgicos y primeros transformados:

Mr. Angelo P. Gatto
P.O. Box 17723
Rochester, NY 14617

Productos incontinentes para adultos, e.g. pañales, paños, etc.:

Mr. Scott E. Fishman
Marketing Research Manager
Squibb Specialty Health
Products
P.O. Box 4000
Princeton, NJ 08540

Ejes para remolques:

Ms. Joyce L. Blackburn
AG Motor Corp.
1649 H. Street
Fresno, CA 93721

Dioxido de titanio:

Ms. K. E. Smrcka
Amran International Corp.
169 Montauk Highway
Southampton, NY 11968

Cianuro de cobre:

Mr. Ralph W. Firman
Alloychem, Inc.
641 Lexington Avenue
New York, N.Y. 10022

Químicos agrícolas:

Mr. Peter M. Scocca
Pemco International
P.O. Box 867
Liburn, GA 30247

Materiales para la industria naval:

Mr. James L. Bailey
817 W. Fairlawn Lane
Peoria, Illinois 61614

Tijeras y pinzas:

Mr. Elias Marko
Brush & Weaving Corp.
P.O. Box 1525
Englewood Cliffs, NJ 07632

Productos de acero y productos primeros transformados:

Mr. Michael D. Schwed
Borneo Sumatra Trading
Co., Inc.
P.O. Box 248
Rutherford, NJ 07070

Hilados textiles y artículos de lana:

Mr. John Skurski
Colorado Trading Co.
6665 Alberta Drive
Colorado Springs, CO 80918

Mosaicos y baldosas en mármol:

Mr. R. T. Steinmetz
R. T. Steinmetz & Assoc., Inc.
P.O. Box 5037
Kent, WA 98031

Cinturones y correas; atún en conserva; joyería y bolsos de piel de señora:

Ms. Mary E. Carmona
435 East 79 St., Apt. 7H
New York, N.Y. 10021

Bordados y puntillas; artículos religiosos, e.g. nacimientos; artículos de regalo en cerámica; mantelerías; azulejos; material de oficina, etc.:

Ms. Julie Stickley
The Craft House
212 South Main Street
Harrisonburg, Virginia

Ropa de deporte y trajes de baño en lycra:

Mr. L. Miller
P.O. Box 10935
Lahaina, HI 96761

Hierro y acero:

Ms. Frances Robert
11 Plymouth Lane
Yardley, PA 19067

Artículos de regalo hechos con conchas de mar:

Ms. Joan C. Platt
Glasswerks, Inc.
P.O. Box 419
Gloucester, MA 01930

Artículos y accesorios para novias:

Mr. Burton Goldberg
Roth Import Co., Inc.
13 West 38 Street
New York, N.Y. 10018

Máquinas para el trabajo de alambre:

Mr. Harvey J. Straus
Straus-Artys Corp.
P.O. Box 387
Great Neck, N.Y. 11022

Espadas; puñales; sables; cuchillos, etc.:

Mr. Joe Kelly
Kelly "The Knife Trader"
6415 Lankershim Blvd.
North Hollywood, CA 91606

Artículos de deporte; calzado deportivo:

Mr. Diego Navarro
Rene Guyon Bodywear
722 N. La Cienega Blvd.
W. Hollywood, CA 90069

Fenoles:

Ms. Florence Kapoor
Regal Products, Inc.
57 Clearwater Drive
Willingboro, NJ 08046

Barajas de cartas:

Mr. Leo R. LaSota
8512 Snowden Loop
Laurel, Maryland 20708

Calzado y artículos de piel en general:

Mr. Bradley T. Buhner
Purchasing Director
Independent Import Distributors
P.O. Box 704
Iowa City, Iowa 52244

Lingotes de aluminio:

Mr. E. N. Sakellarios
M&N Seatank Agencies, Inc.
29 Broadway, Suite 1603
New York, N.Y. 10006

Etiquetas textiles:

Mr. Joel Robinson
Scott Label Co., Inc.
209 West 38 Street
New York, N.Y. 10018

Aceitunas en tarros de cristal; mandarinas; naranjas; melocotones en conserva, etc.:

Mr. Joel Must
Detroit City Dairy, Inc.
15004 Third Avenue
Highland Park, Michigan 48203

Cerámica; alfombras;

moquetas; manteles, etc.:

Ms. Valerie Madden
Robinson Donovan Madden
& Barry
1500 Main St., Suite 1400
Springfield, MA 01115

Artículos textiles; artículos de regalo en piel; bisutería, etc.:

Mr. Frank Armour
International Mercantile
Initiatives
7 Beech Street
Red Hook, NY 12571

Fusiles, pistolas y escopetas:

Mr. Steven H. Watson
Chief Executive Officer
Watson's International Gifts
P.O. Box 5131
Peoria, IL 61601

Puñales, sables y floretes:

Mr. Allen Shayne
S&S POS
35-14 A Crescent Street
Long Island City, NY 11106

U.S. FIRM SEEKS SPANISH REPRESENTATION

BISUTERIA: Empresa norteamericana solicita distribuidor para su línea de bisutería. Se encontrarán en Barcelona y Madrid alrededor del 20 al 24 de abril. Mr. Paul Piscitelli, Piscitelli, 1125 Pontiac Ave., Cranston, RI 02920. Telex: 929410.

FIRMS OFFERING REPRESENTATION IN THE U.S.

Offers sales representation: Mr. Bernardo Bravo, Export-Import Coordinator, Alfatec Corp., 45 West 45 Street, Suite 605, New York, NY 10036.

OFFERS REPRESENTATION: Will represent Spanish companies in the areas of TEXTILES, TOYS, CHILDREN'S CLOTHING, CERAMICS, PORCELAINS. Will consider new proposals. Please contact: MESAN ENTERPRISE, P.O. Box 2610, North Babylon, New York 11702; telephone (212) 523-5081.

FIRMS OFFERING REPRESENTATION IN SPAIN

SHOE INDUSTRY—offers representation: Spanish businessmen offer their services as Agents/Representatives. Quality control, mailing of samples, high quality products at lower rates; office space with qualified personnel. Please contact: José Luis Sánchez Requena or Francisco Agulló Pineda at León Sánchez Sáez, 13, Elche (Alicante).

SPANISH FIRMS SEEKING U.S. REPRESENTATION

HERALDIC ART: Spanish representative of Heraldic Art seeks business associate of Hispanic origin with residence in New York or Miami, to promote Spanish firm throughout America through exhibits and direct and mail order sales. For more information please write to: Sr. D. J. L. Andrés de Segura, Director, Heráldica Hispanica Segura, Apartado de Correos 42005, Madrid.

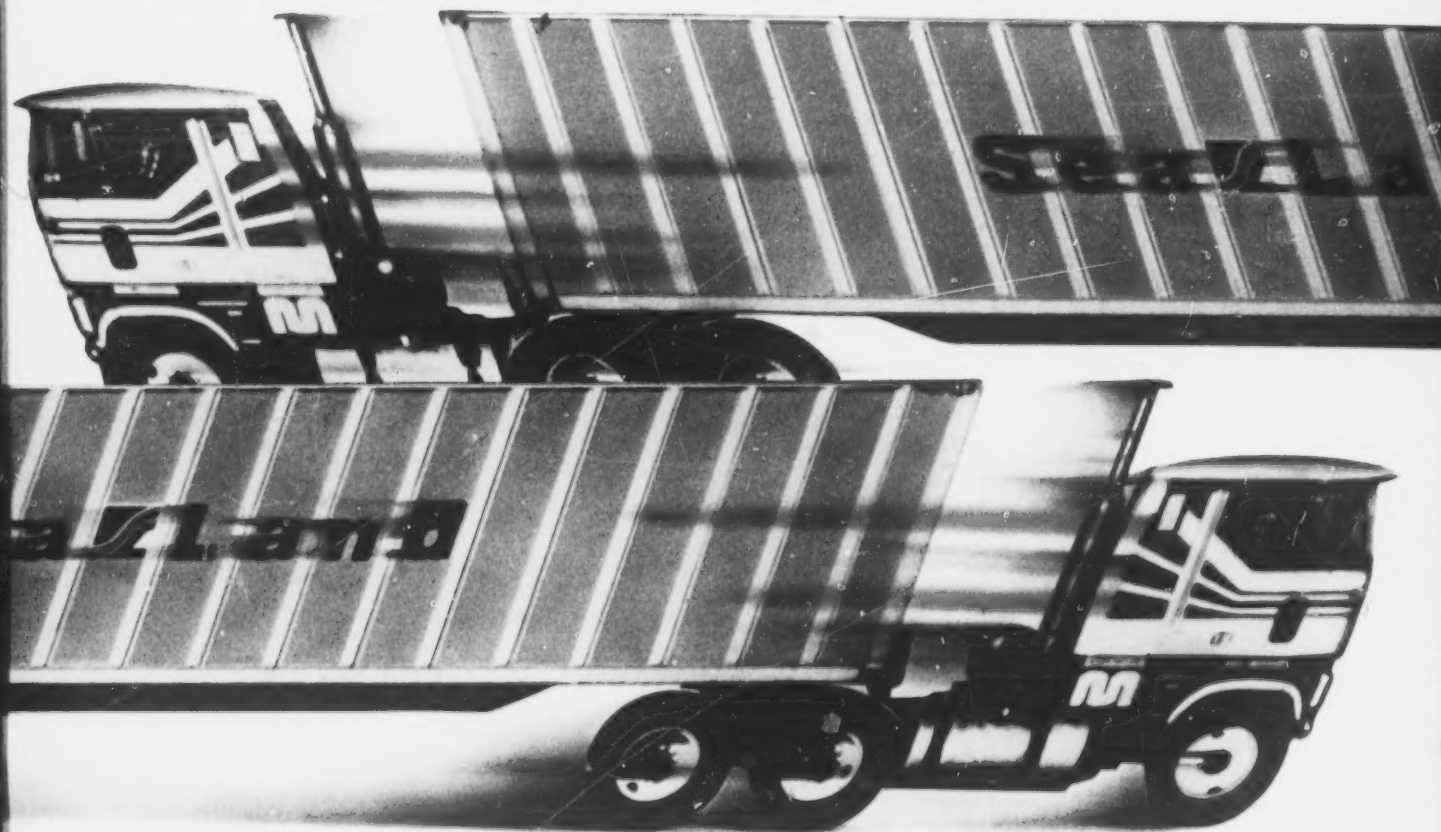
MORE LISTINGS ON PAGES 36 AND 38

Spain's Exports to the U.S., Jan.-Nov. 1983

In this tabulation, using statistics from the U.S. Department of Commerce, the first column gives Spain's exports to the U.S. from Jan. 1 through Nov. 30, 1983, in thousands of dollars. The second column gives the percentage of variation from the same period of 1982. Column 3 shows the percentage of total exports represented by the group.

FOOD PRODUCTS	158,186	-13.2	11.53	37. Iron and steel in bars, sheets etc.	170,453	-30.7
1. Fish and seafood, except preserved	7,605	-42.1		38. Nonferrous metals	18,508	+62.6
2. Fish and seafood, preserved	11,055	+2.8		39. Wire, without electrical insulation	13,480	-11.7
3. Marmalades and preserved fruits	13,730	+38.4		40. Screws, nails, rivets etc. of iron, steel or copper	8,809	-13.6
4. Vegetables, preserved or prepared, including olives	94,437	-14.3		41. Hand tools	16,740	+105.7
5. Sweets with a sugar base which do not contain cocoa	10,369	+1.9		42. Household utensils of common metals	9,589	+41.5
6. Paprika	6,188	+33.6		43. Metal manufactures, unspecified	12,292	2 + 17.2
7. Food preparations, unspecified	2,519	-9.7		MACHINERY, TRANSPORTATION EQUIPMENT	191,976	-18.9
BEVERAGES AND TOBACCO	63,052	+8.0	4.59	44. Non-electric generators & parts	3,931	-40.6
8. Table wines and Sherry	48,638	+17.0		45. Agricultural machinery & parts	2,100	-63.0
9. Sangria	6,360	-23.6		46. Office machinery & parts	31,938	-51.3
10. Brandies and similar	7,366	+3.2		47. Metalworking machinery	12,434	-43.1
11. Processed tobacco	66	-88.3		48. Textile and leather machinery	6,314	+181.9
12. Unprocessed tobacco, residues	369	-36.3		49. Industrial machinery	4,240	+12.6
RAW MATERIALS, INEDIBLE, EXCEPT PETROLEUM AND OTHER VEGETABLE PRODUCTS	24,763	-24.9	1.80	50. Machinery and apparatus, unspecified, and parts	17,845	-20.0
13. Fluorspar	2,614	-32.5		51. Electric generators, commutators and parts	5,918	+11.56
14. Raw materials of animal origin	893	-35.4		52. Domestic electric appliances & parts	5,148	+25.6
15. Gums, resins and natural lacquers	4,892	+9.4		53. Transportation equipment	79,096	-9.0
16. Flowers, bulbs, foliage etc. for decoration	649	+24.6		53a. Parts and accessories for tractors, vehicles & motors	49,667	-7.0
17. Gypsum, plaster etc.	6,343	-56.2		53b. Motorcycles and parts	384	-21.0
18. Other crude vegetable materials	3,382	-17.5		53c. Aircraft	13,004	+21.3
PETROLEUM PRODUCTS AND LUBRICANTS	33,944	+11.3	2.47	53d. Supplies for aircraft and ships, unspecified	8,471	+3.7
19. Heavy petroleum	8,581	-46.5		54. Electrical machinery and apparatus, unspecified, and parts	9,593	+78.8
20. Lubricating oils and greases, hydrocarbons	20,010	+39.0		MANUFACTURED CONSUMER PRODUCTS	369,920	+17.1
OILS AND FATS, ANIMAL AND VEGETABLE	23,476	+68.3	1.71	55. Lamps and parts	5,677	+17.1
21. Olive oil	12,432	-9.1		56. Furniture	10,343	-7.3
CHEMICAL PRODUCTS	84,424	+32.3	6.15	57. Luggage and handbags	6,881	+11.0
22. Organic chemical products	33,608	+86.2		58. Textile manufactures	1,360	+15.1
23. Inorganic chemical products	22,880	+6.3		59. Leather manufactures & accessories	3,838	-1.2
24. Essential oils & perfume materials	12,221	+36.9		60. Knitwear mfrs. & accessories	4,423	+49.8
25. Soaps and detergents	1,794	-0.9		61. Footwear	232,657	+9.6
MANUFACTURES AND SEMI-MANUFACTURES	398,058	-4.1	29.0	62. Printed matter	18,661	-0.7
26. Hides, leathers & their manufactures	11,324	-18.8		63. Toys and sporting goods	11,534	+28.3
27. Tires	37,659	+49.1		64. Arms and parts, except revolvers and pistols	3,345	-4.9
28. Manufactures of wood and cork	4,746	+4.6		65. Objects of arts and antiques	30,830	+121.6
29. Articles of paper and cardboard	6,270	-1.7		66. Jewelry and costume jewelry	13,496	+51.6
30. Thread and yarns	4,820	+33.5		67. Other manufactures, unspecified	2,872	-20.4
31. Bed and table linen, towels etc.	5,898	+176.8		OTHER PRODUCTS, UNCLASSIFIED	24,651	-24.6
32. Fabrics of wool	812	-24.6		68. Special transactions, unclassified	21,011	-3.1
33. Lime, cement and other construction materials, except tiles	28,216	+167.6		69. Arms of war, including revolvers, pistols and ammunition	2,080	-64.5
34. Tiles	13,360	+48.8		70. Estimated value of imports in lots valued at under \$251.00	1,556	+5.2
35. Articles of crystal and glass	6,017	+30.4		TOTAL EXPORTS, SPAIN-U.S.	1,372,450	-0.7
36. Articles of pottery	11,674	-21.7				

Sea-Land. Fast in, Fast out.



When your drivers or truckers get tied up at a congested terminal, it can cost you time and money.

Here's how you can get around those expensive tie-ups: Ship via Sea-Land®

Nearly all Sea-Land terminals are exclusive—used for Sea-Land customers only. That's why you get in and out fast.

And the Sea-Land people handling your cargo are experienced professionals who help you get in and out even faster.

If you don't like being kept waiting, ship via Sea-Land. Call your Sea-Land representative today.

Sea-Land

What we did for shipping, we're doing for service.

Grand Class



How to relax as you fly.

This new symbol stands for the Grand Class of Iberia, International Airlines of Spain.

Everything in Grand Class is designed so that you will discover the ultimate pleasure of flying.

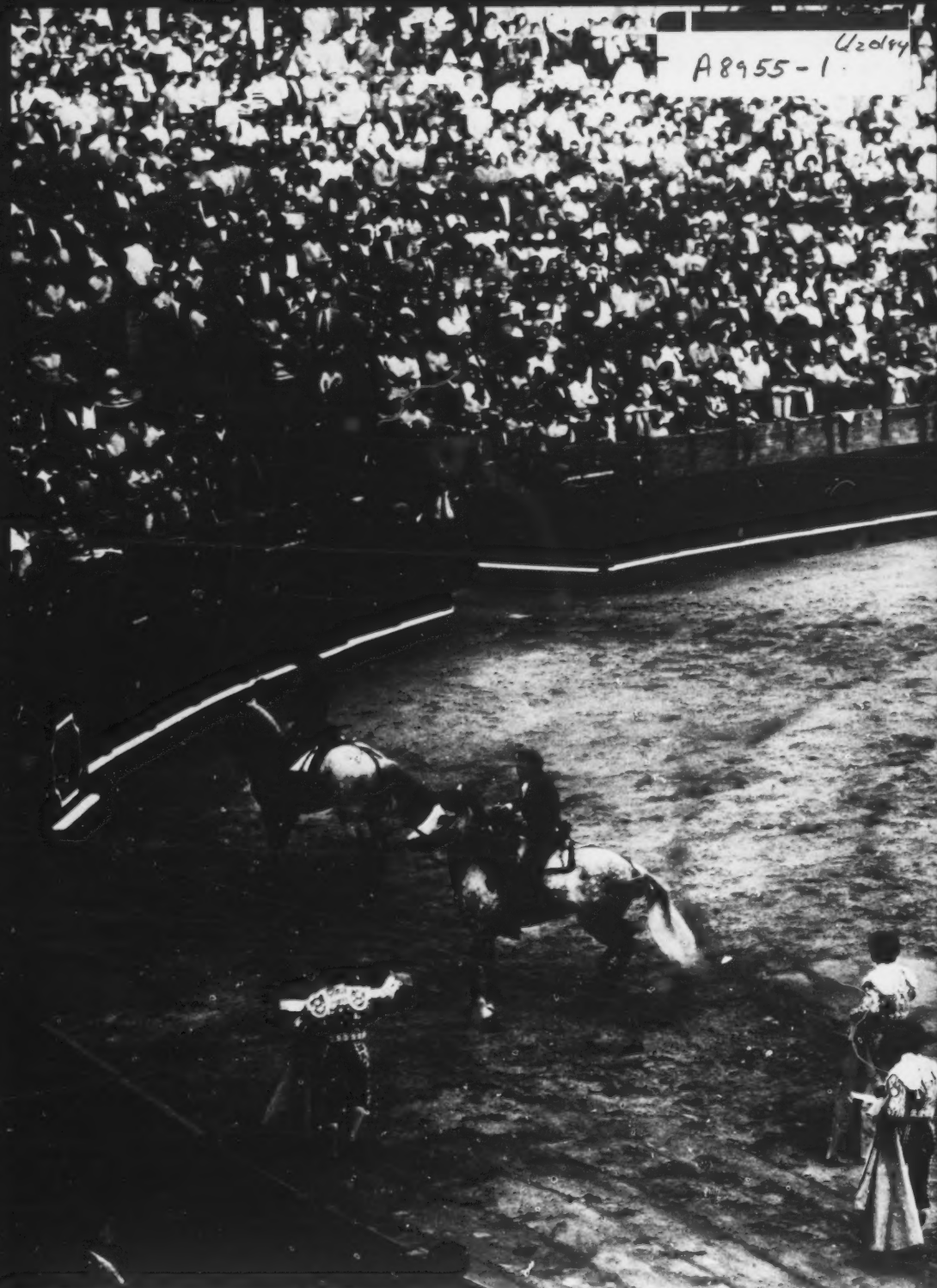
You'll enjoy superb service at all times. You will choose from gourmet menus and vintage wines, served in porcelain and crystal. You will be welcomed with a little gift and, at some airports, cared for in VIP lounges.

In Grand Class you ease into Iberia's new sleeper-seat, so spacious and comfortable that when you recline, it feels like a bed. So you fly in comfort and arrive totally relaxed.

For the ultimate in comfort, service and relaxation, fly Iberia's Grand Class.

IBERIA 
INTERNATIONAL AIRLINES OF SPAIN

The Spanish challenge.



A8955-1 42084

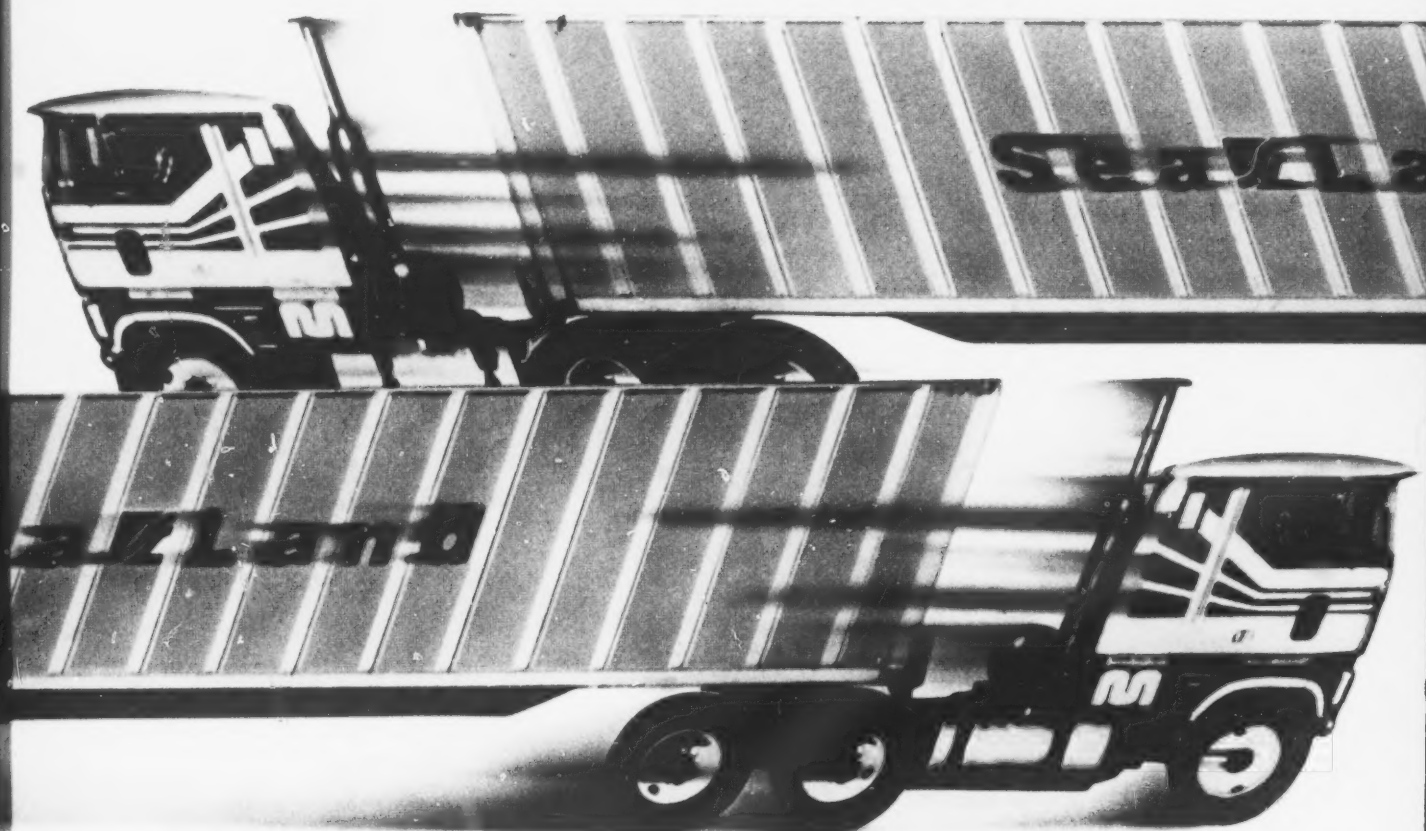
Spain

OFFICIAL PUBLICATION OF THE SPAIN-US CHAMBER OF COMMERCE

MARCH-APRIL-MAY 1984

No. 133

Sea-Land. Fast in, Fast out.



When your drivers or truckers get tied up at a congested terminal, it can cost you time and money.

Here's how you can get around those expensive tie-ups: Ship via Sea-Land.[®]

Nearly all Sea-Land terminals are exclusive—used for Sea-Land customers only. That's why you get in and out fast.

And the Sea-Land people handling your cargo are experienced professionals who help you get in and out even faster.

If you don't like being kept waiting, ship via Sea-Land. Call your Sea-Land representative today.

Sea-Land

What we did for shipping, we're doing for service.

President
RICARDO JOVE
Amtraco Commodity Corporation

First Vice President
ANDREW D'ALESSANDRO
S.A.I.M.A., Inc.

Second Vice President
DAVID ASKREN
Chemical Bank

Treasurer
LUIS BONEL
Majorica Jewelry, Ltd.

Corporation Secretary
JOSE LUIS SAN PIO
J. & A. Garrigues

Honorary President
GABRIEL MANUECO
Ambassador of Spain, Washington, D.C.

Honorary Chairman
JOHN DAVIS LODGE
Former U.S. Ambassador to Spain

Honorary Vice President
FERNANDO R. PORRERO
Consul General of Spain in New York

Honorary Director
RAFAEL AGUILAR
Commercial Counselor of Spain, New York

Executive Director
MARIANO BAGUENA

Directors:

JOSE AMEIJIDE
José Ameijide, Inc.

FREDERICK ARCH
Spanish Book Corporation of America

HAROLD BARG
Schenley Affiliated Brands Corp.

LUIS BENITEZ DE LUGO
Banco de Santander

FRANCIS BESSENEY
J. Henry Schroder Bank & Trust Co.

S. ROBERT BREITBARTH
General Cable International, Inc.

WILLIAM BURNS
Costa Line Cargo Services, Inc.

JOEL T. CAMCHE
Hallinan & Camche

JOSEPH A. CARAGOL
Joseph Caragol, Inc.

JOHN E. CODINA
John E. Codina & Co.

ALFONSO GONZALEZ ESCALERA
Compañía Trasatlántica Española

EDWARD G. HAYEK
Trans World Airlines Inc.

SAM LAREDO
Santillana Publishing Company

MANOEL A. LIMA
Avon Products, Inc.

CARLOS MENENDEZ
Irving Trust Company

JOHN A. OGILVIE
Ogilvie Taylor & Associates

PEDRO ORTIZ VALERO
Interchange Commercial Corp.

JOSE PECES PEREZAGUA
Banco Español de Crédito

FELIPE PROPPER DE CALLEJON
Wertheim & Company

VICENTE PUIG JR.
Vicente Puig & Co.

GEORGE H. P. ROBINS
Banco Urquijo, S.A.

CARLOS ROS
Banca Catalana

RAMON DE SARRIERA
Banco de Bilbao

RAYMOND E. C. SURGUY
Banco de Vizcaya

FREDERICK E. TETZELI
Morgan Guaranty Trust Co. of New York

Honorary Delegates in Spain

JESUS DE AZCARRETA
Calle Fuentemillanos, N° 2
Madrid-35
Tel.: 216-39-78

JOSE MARIA CUCURELLA
Capsulas Metálicas, S.A.
Valencia, 101
Barcelona-11

Spain-U.S. Trade Bulletin

Spain-U.S. Chamber of Commerce, Inc. Cámara de Comercio Española en los Estados Unidos

500 FIFTH AVENUE, NEW YORK, N.Y. 10110 • (212) 354-7848
TELEX: 960915 SPAIN US NYK • CABLE ADDRESS CAMACOES

MARCH-APRIL-MAY, 1984

No. 133

NEWS AND FEATURES:

- 2 "The Future of Spain's Tourism," by H.E. Enrique Barón, Minister of Transportation, Tourism and Communications of Spain.
- 10 "Foreign Investment in Spain: Situation and Perspectives," by H.E. Gerardo Burgos, Director General of Foreign Transactions of Spain.
- 15 "The Factors Which Make Spain Attractive to Foreign Investors," by J. Graham Carson, from *Institutional investor*.
- 20 "Bullfight Season is Here!" from the National Tourist Office of Spain.
- 22 "Current Legislation in Spain," prepared by J. & A. Garrigues, New York Office.
- 29 "Reunión Informativa sobre el mercado norteamericano"—Introductory remarks by Adrián Piera, President of the Chamber of Commerce and Industry of Madrid, at a seminar in Madrid on the U.S. market.
- 32 "Re-enactment of Columbus' Voyage Will be Part of 500th Anniversary Celebration in 1992," from the National Tourist Office of Spain.

DEPARTMENTS:

- | | |
|---|--|
| 31. Fairs and Exhibitions, June-Dec. | COVER: The <i>Corrida de Toros</i> —the bullring at Sevilla. See "Bullfight Season is Here," page 20. |
| 33. News in Brief. | |
| 34. Spanish Products Offered. | |
| 35. Productos españoles solicitados. | |
| 36. Spain's Exports to the U.S., 1983 vs. 1982. | |

Executive Editor
Mariano Baguena

Editor
David O. Thomas

Published bi-monthly, copyright 1967, as a service to its members, by the Spain-U.S. Chamber of Commerce, Inc., a non-profit organization, 500 Fifth Avenue, New York, N.Y. 10110. Telephone (212) 354-7848. Subscription rates: \$25.00 per year, U.S. and Canada, 2500 pesetas per year, Spain. Single copies \$5.00 each. Printed in the U.S.A.

By H.E. ENRIQUE BARON

Minister of Transportation, Tourism and Communications of Spain

The Future of Spain's Tourism

It will take more than "sand, sea and sun" to bring American tourists to Spain, and his Ministry is going all out to show that Spain is "all Europe in a single country," Mr. Barón told a Chamber luncheon in his honor on May 1st at the St. Regis-Sheraton.

First of all, I would like to express the great honor that it is for me to be invited to participate in this event. I feel great satisfaction to have the opportunity to establish this contact with you and to address such outstanding people in the business and travel community.

As I head the Ministry which is responsible for all aspects of tourism, transportation and communications of Spain, you can well imagine that I have a wide range of subjects to talk about concerning the present and the future, both immediate and long-term. However, among all of them there is one primary subject that has been, is now, and I hope will continue to be a major priority for the economy of Spain, and which has had a definite influence on the profound social change that has occurred in our country in the past decades: I am referring to tourism.

But before we go into this topic, I would like to remind you of a story that happened in a country whose name I don't remember. A band of highway robbers held up four foreigners — an Englishman, a Japanese, a Spaniard and an American — and held them as prisoners, hoping to collect a large sum of ransom money. After several weeks of useless waiting, no ransom money appeared, so the gang leader decided to execute the foreigners. But, humanitarian and compassionate man that he was, he decided to grant each of them one last request.

First he asked the Englishman, "What is your final request before your execution?"

The Englishman answered, "To sing 'God Save the Queen.'"

"All right, your wish is granted," said the gang leader. "We like patriotism."

Then he asked the Japanese, "What is your last request before we execute you?"

The answer was, "To give a speech about Japanese superiority in the field of technology and labor relations."

"Fine, no problem," the gang leader said, "we like labor relations."

Next he asked the Spaniard, "What is your last request?" and the Spaniard said "To give a speech

about the wonderful tourism industry in Spain."

"That's good," the gang leader replied, "we like to travel."

Finally he asked the American, "What is your last request?" and the American answered, "Please! Shoot me right now so I don't have to keep listening to these crazy people."

I am certain that you have been hearing a lot about tourism in Spain, and today I would like to discuss the subject with you in depth—and I hope you will not make the same request as that American did.

In the years following World War I, there have been countries that—with great effort—have achieved a level of development far above what was expected. One usually refers to countries such as Germany or Japan, and I don't think it would be inappropriate to also include Spain. As far as our country is concerned, several factors have contributed to its dramatic economic growth. And we can emphasize that the tourism industry has been one of the most important factors.

For over a century, Spain was virtually unknown to the rest of Europe and to North America, despite the



Mr. Jove Introduces the Minister

Our guest's visit underlines the importance of tourism to the Spanish economy and the role the American tourist plays in the overall picture.

It is reassuring to us that the present government of Spain is fully aware of what is needed today, and what will be required in the future, to maintain the flow of foreign exchange revenue that tourism brings. They have chosen in our guest an exceptionally qualified man to be in charge of this area.

The Minister, Mr. Enrique Barón, was previously a Professor of Economic Structure at the University of Madrid. In 1977 he was elected to Congress from Madrid, and in that capacity he was a member of the finance, industry and energy, and public works committees; he was also the economic spokesman for the socialist parliamentary group. Earlier in his career he taught agricultural economics at the National Institute of Agricultural Studies in Valladolid. He is the author of various studies on the economies of Spain and the world, including "Population and Hunger in the World" and "The Civilization of the Automobile."

The Minister is a graduate in law and business sciences from the Instituto Católico de Alta Dirección de Empresas, and holds a degree in economics and business from Paris. Since 1970 he has been a member of the Madrid Bar Association. He is 40 years old, married, and the father of three children.

fact that Spain helped this great country, the United States, to win its independence.

Although it was remote, Spain had to defend its very own national identity and freedom against the supposedly invincible troops of Napoleon at the beginning of the 19th century.

The descriptions of Spain by travelers and French romantic writers gave the world a distorted and stereotyped view of what Spain really was. The difficulty of travelling in those days, made even more difficult by the Pyrenees, Spain's mountainous terrain, and geographical configuration as a peninsula, caused the misconception that Spain was located at "the end of the earth" as far as Europe was concerned. Spain did prove that there was much more in the rest of the world when it discovered America.

Spain was all the more unknown because of its out-of-the-way location with respect to the rest of Europe, and at the same time it was separated from America by the Atlantic Ocean, so familiar to us but in those

days so difficult to cross.

Nevertheless, by the 1950's the world had begun to shrink more and more. Countries became closer together, thanks to developments in transportation and communication—especially, of course, commercial airline travel.

That is why at the end of World War II a few adventurous people became interested in this unknown and stereotyped country. They began to discover on their own the true Spain that accepted them with joy and the sense of courtesy and hospitality so inherent in our country. Only thirty years later, the number of these tourists had increased to over 40 million, and I am giving figures for 1983. We are talking about a number of foreign visitors that considerably exceeds the entire population of Spain!

Speaking in historical terms, there is no doubt that this sudden transformation of Spain into a major tourist market is due greatly to social and economic factors. Tourism, which was a movement of the elite, has become a mass phenomenon due to the legislation of paid vacations in many countries throughout the world. What has developed is what we call today "the civilization of leisure."

This phenomenon has been especially apparent in Western Europe, where the great majority of modern constitutions—beginning with the Spanish Constitution of 1931, in which for the first time the right of paid vacations was legislated, followed by the French Constitution of 1946, the Italian of 1947, and the Portuguese of 1976, among others—gave a legal nature to this human right. In this respect, I think one should especially mention the present Spanish Constitution of 1978, in which perhaps there is the most advanced and comprehensive formulation of this "right to leisure." In addition to limited the hours of the working day and guaranteeing paid vacations, it also emphasizes the right to enjoy this leisure within the kind of environment conducive to the person's development, and gives Spanish citizens free access to cultural activities.

As I was saying, for the past few years the number of tourists arriving in Spain annually has exceeded the entire population of Spain. Thus it is not necessary to emphasize the intelligent effort that Spanish businessmen—and the Spanish people in general—have achieved, with an admirable sense for the future and a great deal of imagination, in order to capture, channel and assimilate the enormous influx of tourism. This effort was reflected at the end of last year, when accommodations in Spain reached the number of 112,000 officially approved establishments, including hotels of the various categories, apartment hotels, camping facilities and farm houses, with a total of 1,600,000 beds.

Spain has become, in a brief period of time, a major tourist destination. One should take into account the enormously important effect that tourism has had on the country's economy. In 1982, tourism represented 9.5% of the gross national product, exceeding considerably the volume of other industries such as construction, textiles, apparel, electrical energy and communications.

The effect of tourism on employment, both directly and indirectly, has been to generate more than 1,100,000 jobs.

As for the total income obtained by tourism, it is enough to mention that last year it reached a total figure of about \$7 billion. This implies that in the last thirty years in Spain, this income has multiplied by 400%, while worldwide the average is only 44% in the same period of time.

Nevertheless, neither the modernization of travel, the shortening of distances between countries, the common roots, nor the curiosity that motivated other Europeans to visit Spain, have significantly increased the flow of tourism between the United States and Spain.

According to the U.S. Department of Commerce, in 1982 more than 23 million Americans traveled abroad. The total worldwide figures for all tourists going to other countries reached almost 280 million. This means that American tourists represent more than 8% of world tourism.

This illustrates the sparse participation in the Spanish market of U.S. tourism.

In 1982, of the reported 23 million American tourists, only 3% went to Spain.

On the other hand, when we analyze Spanish tourist data of 1983, when Spain received 811,543 American tourists out of the total of over 41 million, it shows that American tourism is only 2.3% of our total number of visitors, and 2.5% of our total number

of hotel guests.

If we analyze tourism to specific destinations within Spain, we find that 74.7% of American tourists favor Madrid, Málaga, Barcelona, Sevilla and the Balearic Islands.

It is true, of course, that the three traditional attractions that Spain offers to its massive European clientele, "sand, sea and sun," will never be a sufficiently strong motivation to attract people who already have them in their own country.

However, according to a report presented by *The Economist Intelligence Unit*, American tourists, little by little, will increasingly demand the kind of vaca-

"In 1982, of the reported 23 million American tourists, only 3% went to Spain. . . American tourism is only 2.3% of our total number of visitors."

tion which will offer something more satisfying than just "sand, sea and sun." There are several obvious trends toward the kind of vacations that consist not only of rest and recreation but also offer cultural and personal enrichment and the enjoyment of special interests.

And now, when Spain has a great opportunity to present itself as an attractive destination for American tourists, our job is to acquaint them with what Spain has to offer.

Now that I have discussed the past and the present, I would like to talk to you about the future of tourism in Spain. Given the fact that our tourism figures are already high, we don't necessarily expect any spectacular increase as far as our traditional tourism is concerned. One of our objectives, however, is to continually maintain and improve



H.E. Enrique Barón (left) with Chamber President Ricardo Jove and Ambassador Fernando R. Porrero, Consul General of Spain in New York.



If you want to talk
Business
talk to

Banco Urquijo Unión

New York Agency
One Liberty Plaza, New York, N.Y. 10006 Tel. (212) 791-9500

Head Office - Paseo de la Castellana 46, Madrid 1, Spain

our tourist facilities in order to satisfy our clients who while they still respond to the attractions of beautiful beaches and good weather, demand a high level of comfort.

When I speak of tourist facilities, I speak not only of establishments that offer tourist services, but also of other conditions such as transportation, communications, a pleasant environment, and opportunities for recreation and entertainment that make for a more enjoyable visit.

I believe that if we can achieve this, and we are devoting every effort to do so, it is easy to face the future of Spanish tourism with optimism, taking into account our geographical location, the combination of natural resources and our infrastructure, which are unbeatable.

"Historical factors have left traces of beauty and culture which cannot be found in any other European country."

At the same time, we believe that Spain has the resources to satisfy the new trends that I mentioned before towards the type of vacation that is more personalized and fulfilling.

To start with, Spain is blessed with a great variety of unspoiled natural beauty and many small, picturesque villages which offer a new type of lodgings that enable the visitor to be in close touch with nature.

Our country responds completely to the slogan of our advertising campaign: "Spain. It's all Europe in a single country." And it goes even beyond, because historical factors have left traces of beauty and culture which cannot be found in any other European country.

It has been a long way between the creations of the admirable prehistoric painters of Altamira and the last works of Picasso and Miró, a long road in which men of all racial and cultural background have come to live, create and die in Spain. To the then-distant Iberia came the Celts from their land to the north and leaving, more than two thousand years ago, their *castros* on mountaintops, their myths and superstitions, which are still alive, as well as their folklore. Phoenician vessels with their purple sails arrived on Iberia's shores, as did the Greeks with their entourage of marble gods and goddesses which are still standing among mosaics facing the sea in Ampurias. Not far behind, the Carthaginians made Iberia their country, bringing their dark and cruel cults and their rigid

sculpture, which has emerged intact in various diggings, one of them on the island of Ibiza.

Finally, Rome incorporated Spain into the great civilized world of 2000 years ago. Rome left Spain with a surprising network of roads; aqueducts such as the ones in Mérida and Segovia, where the useful concept of transporting water is overshadowed by the perfect harmony of the monument itself; dams, which are still working, like the one in Proserpina in Badajoz; arches such as the Bara in Tarragona; theaters like the one in Mérida where performances of classical plays are offered every summer; walls; statues; mosaics; jewels; paintings, etc. In addition to all of that, the Romans also left a concept of life, a legal system that is still reflected in the Spanish Civil Code, and, above all, the foundation of a language that is spoken today by more than 300 million people all over the world, almost 20 million of them right here in the United States. Conversely, Spain gave great emperors to Rome, among them Trajan, thinkers and philosophers like Seneca, and the delicate greatness of the poetry of Lucano, the poet of the "claro Betis."

Later on, other cultures would follow: The Germans, through the Visigoths, who left moving examples of their art, among them the Church of San Juan de Baños; the Jewish culture that has left not only entire cities which are very well preserved, such as Hervas, but also entire neighborhoods in various cities, like the famous Santa Cruz in Sevilla, the synagogues in Segovia and Córdoba, and two exquisite ones in Toledo, the city that in the Middle Ages achieved a society of tolerance, respect and freedom of three cultures and faiths living together: Jewish, Christian and Moslem. This example has been difficult to repeat. The Moslems, after eight centuries of living on our soil, left monuments that are, of course, impossible to find in the rest of Europe. Three exceptional cities, Córdoba, Sevilla and Granada, are the most representative examples.

As a result the Spaniard born of these cultural encounters, began his own endeavors and assimilated all the cultural currents throughout Europe which left wonderful traces in Spain—Romanesque, Gothic, Renaissance, and baroque, the art form that was so mastered by Spain and transported to the colonies in America.

Certainly, ladies and gentlemen, all of Europe—and even more than Europe—can be found in a single country called Spain.

But there is even more: a part of that inheritance (castles, old convents, noble mansions) is available to our visitors for unusual lodgings. A great number of the Paradores Nacionales de Turismo, the State Hotel Network, are located in period buildings that,

BANCO EXTERIOR GROUP... OF SPAIN...

**OF FEDERAL REPUBLIC OF GERMANY... OF
BELGIUM... OF NETHERLANDS... OF ITALY...
OF THE UNITED KINGDOM... OF ECUADOR...
OF PERU... OF ARGENTINA... OF PANAMA...
OF PARAGUAY... OF EQUATORIAL GUINEA...
OF COLOMBIA... OF BRAZIL... OF FRANCE...
OF GUATEMALA... OF BAHRAIN... OF THE
UNITED STATES... OF MEXICO... OF USSR...
OF VENEZUELA... OF SWITZERLAND... OF
SINGAPORE... OF PORTUGAL... OF EGYPT...
OF CAYMAN ISLANDS... OF URUGUAY... OF
BOLIVIA... OF CHILE... OF THE WORLD.**



BANCO EXTERIOR GROUP
Banking without borders

Representative Office
645 Fifth Avenue
Olympic Towers Building
11th floor New York, N.Y. 10022

due to their characteristics, are part of the Spanish inheritance.

How is it possible not to have faith in the future of Spanish tourism when we have such a solid base and all of the advantages I have discussed?

And how is it possible for Spain to make the maximum effort to convey these facts to other countries? To achieve this, and especially in respect to America, we have a wonderful and immediate opportunity.

We are nearing the forthcoming celebration of the 500th Anniversary of the discovery of America by Spain, and we must promote a greater knowledge and understanding of our respective countries. We Spaniards have a lot to learn about the advances in American technology. And you Americans who come to Spain can do a lot of exploring into the roots of your culture. Perhaps you can find among us the ultimate reasons for your value system, and the explanation of why you are like you are and not some other way. I invite you on this occasion to practice among us this new tourism of brotherhood and culture.

There are several factors that will influence future demand for tourist services by American visitors. On one hand, the evolution of the population, and on the other increase in the standard of living.

According to the U.S. Bureau of the Census, by 1990 the population of the United States, according to age, will be distributed in the following way: 12% of the population will be 65 or over; 9% will be between 55 and 64; 10% will be between 45 and 54; 15% between 35 and 44; 17% between 25 and 34; and 10% between 18 and 24. This means that a total of 61% of the population is able to travel because of age and income.

On the other hand, the number of married couples without children and single people living alone will increase, which will allow them to have more free time and more opportunities to travel than today.

Due to the population structure in this country, one has to be optimistic when looking at the future.

Furthermore, the income level is a decisive factor when it comes to deciding vacation destinations, the time of year, and the type of vacation that one wants to enjoy.

The technological revolution in the field of chips, or microprocessors, in word processors and biological engineering, is strengthening the future of this country. I consider the economic recovery of the United States to be fundamental for the wellbeing of Europe and Japan. In the 19th century it was said that when Paris sneezed, Europe would catch a cold. Today it is

a fact that when the U.S. sneezes, Europe gets pneumonia.

Looking at these conditions objectively, and with the faith that we have in this country, the future of tourism in this market is very promising.

Now, discussing tourist facilities, or supply, which is the direct responsibility of my department, here are the guidelines with which we will face the future:

Improvement of the Spanish tourism product. We are investing heavily in the infrastructure—improvement of the network of lodgings, installations and related services.

Attention to the client: Finding out the needs of the clients, which will in turn benefit our tourism industry, an industry of services in which the product



at all levels must be managed with professionalism. In this field, Spanish labor is an example of common sense because its unions have understood that the key to success, present and future, is to serve and please our clients.

Cooperation with businesses directly related to tourism: Airlines, tour operators and travel agents are the pillars with which the Ministry of Transportation, Tourism and Communications wants to intensify its cooperation for the success of our tourism policy.

Lastly, it is necessary to make a great effort to convey to the consumer the richness and variety of our country as a tourist destination, emphasizing *quality*. Since the beginning of last year we have been making a strong effort in this market through an extensive promotional campaign. We are investing approximately \$2.5 million in promotion, and we are hoping to increase this budget in the near future.

I am convinced that the future of tourism to Spain is going to be brilliant both on a short term and a long term basis. You might ask what is going to happen in the 21st century, which is almost around the corner. I know for a fact that an American institute for futuristic studies has come to the conclusion that in the distant future almost everybody will live on the moon and on other planets, but according to reliable statistics all of them will come to earth for vacation. So, we have no worry—the future is ours! □

Portrait of a typical Iberia cargo customer.



SELF-PORTRAIT 1906

When the Picasso exhibit flew from New York to its new home in Madrid, officials chose an airline that would transport his irreplaceable works in perfect condition. And that airline was Iberia.

Iberia is the Number 1 cargo airline to Spain, with the only all-freighter service 3 times a week. We also have widebody cargo service beyond Madrid to every major city in Europe, Africa and the Middle East, as well as cities in Canada, Mexico and South America.

Iberia. We've transported Spain's treasures. For more information on how we can transport yours, call us in Miami toll free at 1-800-327-2302. Elsewhere in Florida, call 1-800-432-1231. Or call the JFK cargo office at 1-800-221-6002.

IBERIA  **CARGO**
INTERNATIONAL AIRLINES OF SPAIN

By H. E. GERARDO BURGOS
Director General of Foreign Transactions of Spain

Foreign Investment in Spain: Current Situation and Perspectives

The foreign investment figures for 1983 show that foreign investors have reacted positively to Spain's new Government, the Director General of Foreign Transactions told a Chamber luncheon in his honor held at the Pierre on February 28th.

First and above all allow me to thank the Spain-U.S. Chamber of Commerce in New York for the opportunity it offers me to address this indeed distinguished audience and to convey some ideas on the subject of foreign investments in Spain. A number of them will, of course, be anything but new for you. I think, however, it would be pertinent to stress some of them again.



And now, let us get down to facts.

In 1978, the Spanish people passed their Constitution. Its Article 38 establishes and acknowledges the principles of free enterprise, within the framework of a free-market economy.

The free-market economy and free enterprise are, therefore, two fundamental principles which are beyond any possible discussion, being as they are explicitly and definitely recognized and established by our constitutional rules.

And, as is only too well known, in a free-market economy, investments—both public and private, both national and foreign—are the driving force which pushes economic development ahead.

On the other hand, the Western world is now deep in the process of internationalization of its economy, with a clear overall trend towards a greater liberalization of movement, not only of products but also of all the factors that are involved in productive activity—viz. work and capital.

Spain, as one of the parts which form that Western world, simply cannot and must not abstain from that liberalization and internationalization process.

It is in that context of the free-market economy, of free enterprise and of that internationalization process, that the matter of foreign investments in Spain must be placed and considered.

In that sense and meaning, it can be well stated that in our country foreign investments are, in the first place, *traditional*; secondly, they are *important*; and thirdly *they are always welcome*. They enjoy a sound tradition because already by the mid-19th century a noticeable amount of foreign ventures were already established in our country. At that time, of course, because of the limited level of development of Spain's productive framework, foreign investments focused only on railways and mining.

***"Investment imperatively calls for stability in every field,
and among them in the political arena."***

Foreign investments in Spain have *importance* as to sheer amount, having contributed in the creation of a countless number of jobs, and because they spell a remarkable contribution to our country's balance of payments due to the fact that they constitute, actually, foreign exchange receipts.

But they also enjoy a *qualitative importance*. Foreign enterprises in Spain have also contributed to modernizing our productive system, introducing the most up-to-date techniques and thus compelling



Gerardo Burgos (left) at the February 28th luncheon in his honor with Raymond E. C. Surguy (center) and Chamber President Ricardo Jove.

Spanish businessmen and entrepreneurs to exert a competitive effort, which logically enough has sound and healthy effects on our productivity levels.

Last but not least, foreign investments are *welcome* in our country. Spain's legislation on this matter is definitely liberal and stands well any comparison with the legislation in force in the majority of Western European countries. Moreover, that attitude has almost always prevailed, except for the first twenty years following our Civil War which ended in 1939.

This may not be the best moment to explain, with details, Spain's legislation on this subject. Anyone interested has only to ask for the publications edited in several languages by Spain's Dirección General de Transacciones Exteriores—the Foreign Transactions Central Board—in which all the information needed by foreign investors can be found. Naturally enough, Spain's Economic Affairs and Treasury Department (Ministerio de Economía y Hacienda) will be only too glad to furnish any kind of additional information requested. And indeed the same can be said about our country's trade offices attached to Spain's embassies abroad.

Tradition, importance, and a warm welcome are, allow me to repeat, the three outstanding and fundamental features which have always shaped the fact of foreign capital inflows in our country.

But capital, and perhaps very especially *foreign capital*, is anything but indifferent to politics. Investment imperatively calls for *stability* in every field, and among them in the political arena.

This statement is clearly backed by the figures from the mid-1970s. Beginning in 1973, net foreign investments started to decline and did not recover to the 1973 level until 1978. Let us not forget that General Franco died in November 1975, and foreign capital may well have considered that fact sometime earlier; let us recall that in June 1977 the first general elections took place in Spain, in which, also for the first time in decades, political parties freely participated.

In 1978, once the political uncertainties had been cleared, foreign investments recovered their rising tempo and gross inflow under that heading increased steadily, year after year, valued in Pesetas.

And now, at this point it may be pertinent to pose the question: What is the present situation with regard to foreign investments in Spain?

To focus light on the matter, let us bear in mind that in October 1982 general elections took place in Spain which resulted in a large majority for the PSOE, Spain's Socialist Party, in Parliament (the *Congreso de los Diputados*) and in the high chamber, the Senate. Then it is necessary to add that in December of that same year the new Cabinet was formed and that during the following weeks the new teams of officials in the Public Administration started to act and work.

Consequently it would seem pertinent to take January 1st, 1983 as a reference date. And then let us restate the question:

How have foreign investments in Spain developed during 1983?

We shall proceed to reply to that question by resorting to the Cash Condition of Spain's central bank of issue, the Banco de España, the relevant figures having recently been released. Regarding long-term private capital transactions of a patrimonial nature, the Banco de España makes the traditional breakdown into three headings: Direct Investments, Securities and Real Estate.

The combined figure for the three headings in 1983 made a total inflow of 270,000 million Pesetas, as compared with 227,000 million Pesetas the preceding

year, a 19% expansion.

In U.S. dollars, those figures become \$1,863 million in 1983, as compared with \$2,054 million in 1982, a drop of 9% vs. the 19% rise when the figures are compared in Pesetas. This faithfully reflects the depreciation of the Peseta with respect to the U.S. dollar during 1983. In other words, foreign investors needed fewer dollars to invest more Pesetas in Spain all through last year.

Allow us to review with some detail how the different components have developed. First, **direct investments**, posting an entry of Pesetas 137,000 million, shows a small decline of 5% when compared with the 1982 figure of 145,000 million.

But this difference was practically offset by the rise recorded by foreign investments in the form of **purchase of securities**, which rose from Pesetas 8,000

"The rules and regulations must be compiled and reduced. . . in contrast to the real tangle of regulations which have proliferated since 1959."

million in 1982 to Pesetas 15,000 million in 1983. Considering that the securities heading records smaller amounts, the difference in fact means an 83% expansion in 1983 vs. 1982.

Lastly, we should also underline the sound performance of foreign investments in the **purchase of real estate**, which in 1983 recorded a figure of Pesetas 117,000 million, a 58% expansion over the level reached in 1982.

On the other hand, it must be remembered that the data we have been using are furnished by Banco de España Cash Condition, which in fact only records foreign exchange transactions; thus said data do not cover foreign investments made against reserves and undistributed profits of foreign enterprises in our country. When using the data of the Dirección General de Transacciones Exteriores (Foreign Transactions Central Board), if this additional component of foreign investment in our country were to be considered, the final grand total of foreign investments in Spanish ventures would in fact be higher than in 1982.

From the figures which I have cited, which in our humble opinion are highly significant, it can safely be inferred that foreign investors have reacted positively to the new Government in Spain.

In any case, it is not possible to disregard *a priori* the fact that—always under the hypothesis of a demo-



Rafael Aguilar, Commercial Counsellor of Spain in New York, Ana Jaenické of the Spanish Commercial Office, and Mr. Burgos.

cratic and stable system in Europe—international capital is relatively indifferent, getting down to essentials, to the different political opinions that can be displayed within said system.

In the preceding discussion we have tried our hand at the task of finding out what has been the reply of foreign investors to the establishment of a Socialist Government. Let us now pose the reverse—that is, what is the reply of the Socialist Government to foreign investments?

As a matter of fact, up to now the Government has only made public its intention to review the rules and regulations on foreign investments, without going into any further details of importance.

Logically, then, the Dirección General de Transacciones Exteriores cannot go any further. But what it can do is to explain the basis on which said Dirección General, or Central Board, is drafting a first document (which, naturally enough, will not have any definite character or value until the Government, and then the Parliament, approves it).

Having made those conditioning remarks, let us see the basic principles that a reform may well set forth:

1. The original formal structure of the law at present in force is to be respected;
2. No regression as regards the liberalizing process;
3. The law is explicitly to accept and acknowledge the essential rights enjoyed by foreign investors;
4. Simplification and clarification; and
5. Reduction of administrative procedures.

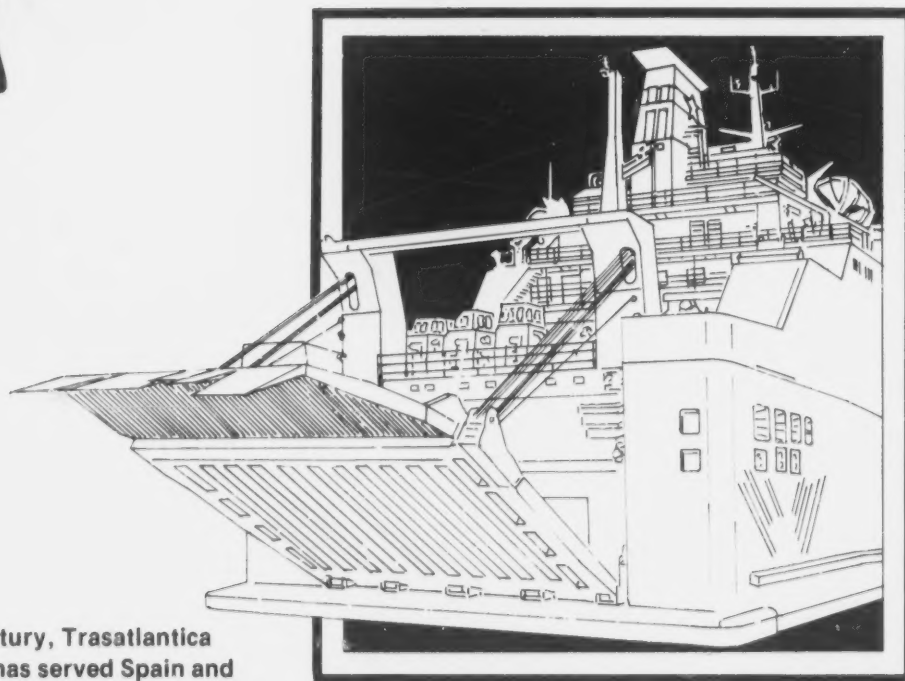
Let me expand briefly on these principles:

1. Regarding the original, formal structure of the law now in force: The time elapsed since its enactment in 1959 makes it advisable to amend the contents of this law, but its formal structure continues as valid.

2. No retreat or regression in the liberalization process: The global contribution of foreign invest-

Trasatlantica Spanish Line

Over a
Century of
Quality Service



For over a century, Trasatlantica Spanish Line has served Spain and the U.S., offering quality service and personalized attention to customers and cargo. Now, Trasatlantica Spanish Line's North Atlantic service has been expanded to include the Italian ports of Genoa and Leghorn, linking the heart of the Mediterranean with the United States. Also new is the addition of two sophisticated Ro/Ro and Lo/Lo vessels offering service between Mediterranean ports and Miami and the U.S. Gulf. General agent for the line is the Kerr Steamship Company, 2 World Trade Center, New York, N.Y. 10048; telephone (212) 524-1100; with offices throughout the United States.



H.E. GERARDO BURGOS

ments to Spain's economy can be considered as positive and there are no fundamental reasons whatsoever to hamper them in any way.

3. The law is to recognize the essential rights of the foreign investor: And this refers to rights such as, for example, the transfer of investment income or proceeds from total liquidation or settlement, as well as the access to domestic and external credit facilities; all of them must be guaranteed by the force of provisions endowed with the rank of enacted legislation or law, and consequently they must also be passed and approved by the Spanish Parliament.

4. Simplification and clarification: The rules and regulations on foreign investments must be compiled and reduced to a short number of legal provisions, in contrast with the real tangle of regulations which have proliferated since 1959. Furthermore, the number of different categories of foreign investments and/or of specific sectors must be reduced as much as possible, with a general aim of taking them to a general, overall status.

5. Reduction of administrative procedures: The obtaining of administrative permits and/or declarations and checkups, if needed, must be easy and fast



(L to R) Luis Sempere, Mr. Jove, José L. San Pio, and Mr. Burgos

for foreign investors.

On these bases, the Dirección General de Transacciones Exteriores expects and hopes duly and promptly to meet all those rules on foreign investments; and trusts that the rate of expansion of foreign investments will be maintained or even stepped up further, to the benefit of both Spain and foreign investors. □



COSTA LINE

RED SEA NAVIGATION LINE

**COSTA LINE
INDEPENDENT
ITALIAN SERVICE**

RO RO. CONTAINERS BREAKBULK

Regular frequent sailings between Atlantic & Gulf Ports and:
GENOA, NAPLES, LEGHORN, BARCELONA, BEIRUT,
VALENCIA, LATTAKIA, ALEXANDRIA, TUNIS, TRIPOLI,
BENGHAZI, CASABLANCA, ALGIERS, ISKENDERUN

**NAVIGATION
RED SEA LINE
INDEPENDENT
REGULAR SERVICE**

RO RO. CONTAINERS BREAKBULK

Regular, frequent sailings between
Atlantic & Gulf Ports and:
AQABA, JEDDAH,
HODEIDAH, PORT SUDAN,
YENBU, BAGHDAD



COSTA LINE CARGO SERVICES, INC.
26 Broadway, New York, N.Y. 10004 (212) 480-8282
Booking Offices in Major Port Cities

The Factors Which Make Spain Attractive to Foreign Investors

Spain's key advantages include opportunities in respect to new technologies, the size of the domestic market and proximity to the European Community market, a mature labor force, excellent productivity, and the Spanish lifestyle.

It is Spain's enthusiasm for competition, and its endorsement of corporate profits to inspire competition, that is most encouraging to new and additional foreign investment. A large number of foreign companies already know that Spain can be a very profitable place to invest.

Dow Chemical, as a prominent example, has given the most convincing possible proof of satisfaction with investment in Spain. Of the total \$250 million-\$300 million it has put into the country, says Dow Chemical Iberica President Ignacio Artola, nearly \$200 million was committed in the past two years.

Foreign auto manufacturers have been equally pleased. A leading American banker in Madrid says that Ford's Spanish venture, begun in 1976, "is one of the best investments they've made anywhere—extremely successful," and this is an assessment with which the parent company does not disagree. In the past four years, Ford of Spain produced nearly a million cars.

General Motors, which is putting well over a billion dollars into a Spanish investment started in 1980, is also extremely satisfied. It is already building 1,100 cars a day says senior Spanish executive Javier Oraa, and its aim is to sell 65,000 a year in Spain and to export 75% of its annual planned production of around 270,000. A GM spokesman in Detroit says that so far virtually all the sales made from Spanish production represent incremental volume.

WHY THE ENVIRONMENT IS INVITING

While many European countries leaned over backwards to win the big new GM investment, Oraa says the incentives offered by Spain were not a key factor in GM's choice of that country. Artola concurs: "In-

centives are not a major motivation — Spain has the usual tax credits, but you can have these in many countries."

Industry and Energy Minister Carlos Solchaga agrees that incentives in the usual sense of the word are not what brings foreign investment in. There are two things Spain can do, he says, that will really motivate foreigners. One is to convince them that Spain under its new government will manage its economy in an orthodox way — "that we are not going to fight against the wind by, for instance, running expansionary policies when most countries are in a deflationary mode." The other is, "to follow through with our liberalization of the economy."

A good example of the way the new government is working at this is its effort to rationalize banks' investment coefficients—a complex system under which the two different types of banks and the savings banks are obliged to invest different percentages of their incremental deposits in different sectors of the economy. Bankers such as Jesús Ruiz Jarabo Ferrán, a senior official of Banco Hispano Americano, which on a consolidated basis has become Spain's largest bank, hope that the rationalization will lead to more freedom of choice for the banks. Raimundo Ortega, of the Treasury, says this is certainly one of the administration's general objectives. "The philosophy of the government is to simplify the coefficient system, and to give more freedom to the banks to make their own decisions."

As another example of the government's readiness to liberalize the economy, the Instituto Nacional de Industria, though state-owned, will develop its new lines of activity whenever possible, according to President Enrique Moya, "in association with private industry, foreign as well as domestic." Moreover, he stresses, this policy of the giant holding company has not been downgraded by the coming to power of what might have been expected to be an ideological regime. "Not only has it not changed," Moya says, "but we are planning to intensify it—and that's not only my statement but that of the head of the new government."

This article appeared in a sponsored section in *Institutional Investor*. The sponsors were Banco de España, Instituto de Crédito Oficial, Asociación de Banca Privada, Banco Exterior, Confederación de Cajas de Ahorros, Caja Postal de Ahorros, Cía. Telefónica, Instituto Nacional de Industria, and Unidad Eléctrica S.A. J. Graham Carson is a freelance journalist who analyzes economic, financial and geopolitical affairs for major U.S., British and Canadian publications.

SECTORS THAT ARE PARTICULARLY ATTRACTIVE

In many manufacturing sectors, and in most service areas, the possibilities for new investment are almost open-ended. The U.S. Commerce Department says some of the best opportunities for foreign firms are in such advanced areas as computers, robotics, industrial and process control equipment, and factory/business automation. Other areas of opportunity include food processing and packaging, telecommunications equipment, the production of electronic apparatus, and analytic and scientific instruments. As an official American publication puts it, investment in Spain is now open in all fields except those relating to national defense, public information and public services—and there are no restrictions on remittances of profits or dividends.

Of course, there are some problems for foreign investors, in Spain as anywhere else. Dow Chemical's Artola says "the weakening peseta is discouraging, because it reduces the value of assets and remittances." Another problem, which he considers "one of the major weaknesses of Spain," is that "there is no real long-term capital market."

The latter is a problem of long standing in Spain. Teigeiro, of the Bankers' Association, says it stems from a still more basic problem of a lack of long-term savings. Traditional long-term savings institutions such as insurance companies are too regulated to be a source of long-term investment funds. If this is indeed the root of the problem, it may be that the new government's policy of liberalization will in due course eradicate it. Meanwhile, Ruiz Jarabo notes that the normal term for bonds is between three and seven years, with private companies only able to borrow as long as six. Even the six and seven-year maturities are new. "A year ago the normal term was three to five," he says.

The Central Bank has been concerned about two other problems. One it believes to be in the past, and the other is as yet largely hypothetical. The past problem involved the overextension of a number of banks, some twenty of which had to be either taken over by the Deposit Guarantee Fund, acquired by stronger banks, or otherwise aided. But the total amount of deposits at these troubled banks represented only a small proportion of the deposits in the system. Governor José Ramón Álvarez Rendueles says the Bank of Spain is taking steps to ensure that the difficulty does not recur—and he believes the problem is solved. What has continued to worry him, however, is the growth of the fiscal deficit. "If it were to continue to grow at the same speed as it has,"

he says, "we would run into difficulties in controlling the money supply."

The government, to judge from the comments of Minister of Economy and Finance Miguel Boyer and the budget it has submitted, is not only conscious of the danger but determined to do everything to avoid it. The pragmatism with which it is handling this kind of problem, in fact, is one of the strongest reasons advanced by some executives for looking very favorably at the possibility of investing, or increasing investment, in Spain today.

THE FACTORS THAT MAKE SPAIN SPECIAL AT THIS TIME

Many of these reasons are well summarized by INI's Moya, who, as head of one of the largest conglomerates in Europe, is uncommonly well placed to

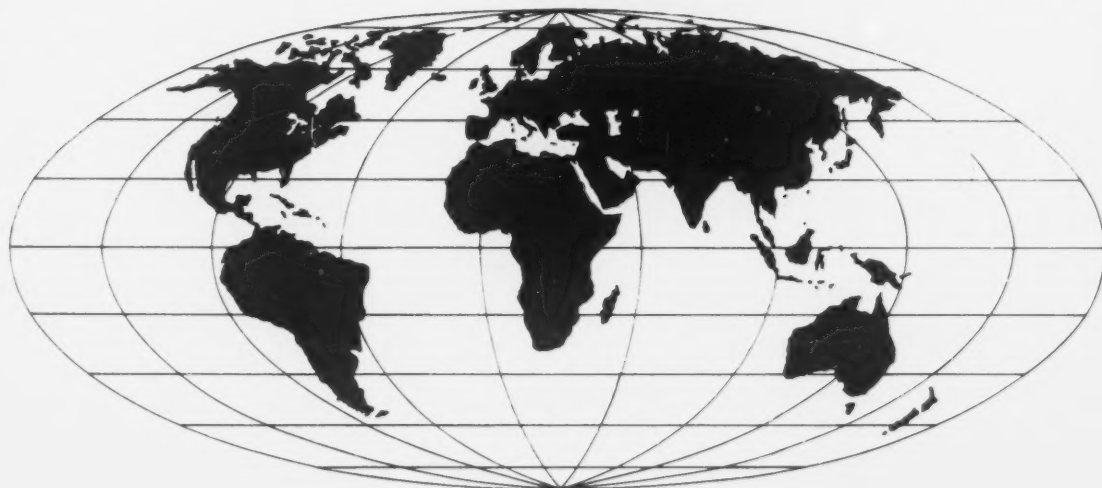
"Moya's fifth reason is the high quality of the Spanish labor force and the Spanish unions' continuing growth in experience and maturity. 'We are more and more working on the basis of cooperation rather than confrontation,' he says."

make comparisons between his own country and others. First, he says, the very fact that Spain has lagged behind the industrialized world in its adjustment to post-oil-shock conditions means that "there are opportunities which don't exist in other countries"; second, he adds, this presents particularly good opportunities in respect to new technologies. Moya's third and fourth points relate to the magnitude of the market for Spanish-made goods: "the size of the domestic market—nearly 40 million people," and Spain's proximity to "an even larger market, the European Community market of nearly 300 million. Although there may be doubts about *when* we go in, Moya says, "our eventual entry is certain."

Moya's fifth reason is the high quality of the Spanish labor force and the Spanish unions' continuing growth in experience and maturity. "We are more and more working on a basis of cooperation rather than confrontation," he says. Finally, Moya adds, the program of the present government is most encouraging in the way it is modernizing all basic aspects of Spanish life, including the economic: "The consolidation and development of basic liberties in Spain ensures that these liberties will be consolidated in the economic area."

While other businessmen put Spain's many advantages in a different order, virtually all of them, foreign as well as Spanish, agree that these are key advantages—and that very few other countries can

Banco de Santander Group



More than 170 offices overseas

The Banco de Santander is the Spanish company with the largest number of offices overseas.

The Banco de Santander Group has more than 1,000 offices

in Spain, as well as a foreign network of more than 170 offices throughout 22 countries in Europe, North America, Central America and South America.

BS

GRUPO BANCO DE SANTANDER

Founded in 1857

**The largest Spanish overseas
Banking network**

equal them today.

To one banker, for instance, Spain is "the last frontier of Western Europe," in the sense that it is the last big-population country which still has the potential for considerable growth. Much the same argument was the clincher in General Motors' decision to choose Spain when other countries were offering more generous "incentives." GM wanted to be sure of a share of the Spanish market — "one of the markets with the highest potential," according to Javier Oraa—and building a plant in Spain was the best way to be sure.

"We've adjusted to a much more professional way of living with the government, the banks, and everything else. Now we work through the proper channels."

GM, Ford and other foreign companies are also pleased with the production and productivity of their Spanish operations. Oraa of GM says that "the quality of the work is very close to the best," and that "productivity is exactly the same as in any other modern plant in Europe." General Motors España has only 100 foreigners on its staff of 9,000 and Dow Iberia only 5 out of 1,500.

As far as salaries and wages are concerned, the general feeling is that, in spite of the catch-up increases of recent years, they are slightly below the West European average. Ignacio Artola, who is on the operations committee (the equivalent to a U.S. executive committee) of Dow Europe, says chemical industry salaries in Spain "are higher than in Italy and the U.K., but lower than in other countries where we operate in Europe." Oraa says that salaries and wages, including fringe benefits, are still a little lower in the auto industry in Spain than in some European countries, especially West Germany, but that they are already on a par with those in the U.K., and that differentials are evaporating. For most foreign businesses, Spain's slightly higher level of fringe benefits almost, but not quite, offsets the advantage of somewhat lower basic costs.

THE APPEAL OF THE COUNTRY AND ITS PEOPLE

Many foreign businessmen cite another reason for locating in Spain: the lifestyle. Aside from the history, castles, art and other cultural lures of the country, "you can look at Spain's appeal like California's," as a New York banker who goes there frequently puts it. Spain's Mediterranean beaches are legendary. And for winter sports enthusiasts, there is excel-

lent skiing within an extraordinarily short drive from the capital itself. Anselmo Callejo of the Economy and Finance Ministry, from whose 21st floor office the snows of the Sierra de Guadarrama are clearly visible, says he can be on the slopes an hour after leaving home.

To some foreigners another important benefit is that Madrid is not a megalopolis. While it has all the amenities of the great modern cities, the city is not choked or sprawling. The airport is only 20 to 30 minutes from the town center, the Metro is fast, cheap and clean, taxis are plentiful, and people are polite.

While the traditional courtesy of the Spaniard has in no way diminished, the emancipation of Spain since the installation of democracy has led to an important modernization of behavioral patterns, with important connotations for the Spanish economy and the foreign investor. Ondaro Banchs of Unión Eléctrica-Fenosa says, "I don't know if foreign people realize the tremendous changes we've had in Spain—for example, in education, politics, information—in the very short period since Franco died." The advance is enormously significant, he suggests. In the business area, it shows itself in a change to a *professional* way of doing business: in the old days, says Ondaro, "if people needed to get an authorization or exemption from the government, the way to do it was to use influence, to call a friend. We've adjusted to a much more professional way of living with the government, the banks and everything else. Now we work through the proper channels."

Enrique Moya says this change is an important feature of the way things are being done at INI since the arrival of the new government. In some past appointments, there may have been a certain amount of political influence, he suggests. "Now, they are entirely professional." One of his primary objectives is, he says, "professionalization at all levels."

Such thinking, developments and trends illustrate the process of adjustment which Spain is currently experiencing and which the new government is accelerating. Combined with the natural strengths and advantages of Spain, the size of its market and the benefits of a come-from-behind situation emphasized by Enrique Moya, they underscore Spain's attractiveness to foreign investment. Harking back to the success of the \$750 million loan Spain was granted last month, Richard May of Chase Manhattan says it was a clear indication that the banking world agrees with that assessment; the loan "implies that Spain is going in the right direction." Once it is absolutely clear that Spain is going to get into the European Community, he adds, "I think there is going to be an avalanche of foreign investment." □



BANCO CENTRAL

su banco amigo

NEW YORK BRANCH

245 Park Avenue
New York, N.Y. 10167
Tel.: (212) 557-8100

BANCO CENTRAL OF NEW YORK

Full banking services
Main Office:
50 Broadway
New York, N.Y. 10004
Tel.: (212) 785-0700
and five other locations in the city

CALIFORNIA AGENCY

505 Sansome Street
San Francisco, California 94111

MIAMI AGENCY

800 Brickwell Avenue
Miami, Florida 33131

FULLY OWNED SUBSIDIARY IN PUERTO RICO

Banco Central Corp.
Main Office: Ave. Ponce de León 221
Hato Rey, Puerto Rico 00917
Tel.: (809) 753-2500
(Twelve Branches on the Island)

HEAD OFFICE

Alcalá 49 • Madrid, Spain

Bullfight Season is Here!

By CHARLES OCHELTREE

Spain's "Fiesta Nacional"—the bullfight season—is now in full swing, having started in March (Valencia's *Fallas*, March 12-19, are the first major festival of the seven-month season). Perhaps a review of the how, the where and the whens is in order. For the why of it all, try Hemingway's *Death in the Afternoon*.

Bullfights take place on Sunday afternoons in most major cities and resort areas—and any day of a fiesta anywhere. They usually begin at 5, 6 or even 7 in the late afternoon.

Tickets are sold at the bullring ticket windows on the day of a fight, usually two hours prior to fight time, or in advance from the ticket office in town. There are also legal resale booths where tickets are sold at a 20% premium. Hotel concierges can also secure tickets, but generally they are for better seats only at the 20% resale price. Pre-packaged optional excursion tours to bullfights which include transportation to the ring are common, but on the whole are grossly overpriced. You're simply paying for convenience.

The seating at a bullring is divided first into enormous sec-



The "running of the bulls" in Pamplona's Fiesta de San Fermin, July 6th to 14th, is still as exciting as when Hemingway depicted it over half a century ago. In addition to bullfights, there are parades of giant figures, Basque bagpipers and flutists, lots of song and dance, and an array of typical Basque dishes.

tions: "sol" (sunny side of the ring), "sol y sombra" (sunny to start, shaded as the fight progresses), and "sombra" (in the shade). Seats in the "sombra" are the most expensive, "sol" seats the least expensive, and "sol y sombra" a financial compromise.

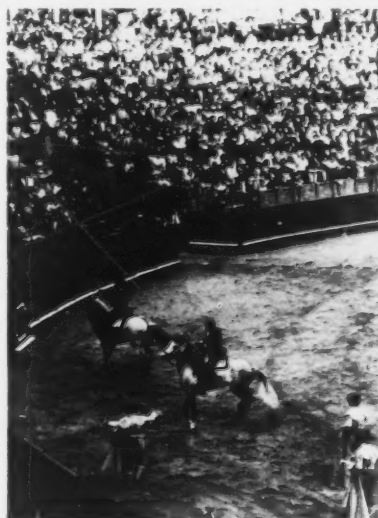
From these three divisions, the seating is broken down into sections called "barrera" (front row), "contra-barrera" (right behind

barrera), "tendido bajo" (lower grandstand), "tendido alto" (upper grandstand) and "andanada" (upper deck).

The least expensive seats in a bullring are "andanada sol" (\$2 range) and the most costly are "barrera sombra" (\$50 and up). If it is your first bullfight, you might find "andanada sol" the most satisfying location. You'll be able to absorb the flow of the action easily, but are sufficiently distant from the graphic reality of the bullfight. And let's be frank: if you're not sure you're going to like a bullfight it's better to pay a couple of bucks than a couple of sawbucks. Moreover, the cheap seats are much like the bleachers at a baseball game—the crowd is lively, mostly locals (in this case Spanish) and vocal.

Cushions are sold for less than 50 cents—a good buy when you consider that the seating is on bare concrete. For the ushers who direct you to your seat, a 25 peseta tip is sufficient.

The last bit of advice is this: whenever possible, see only the top fighters. The tickets are priced higher, to be sure, but the chances of seeing a truly good afternoon increase immeasurably.



The bullring at Sevilla.

**We've made it easier
to be successful...
in Spain, South America,
the World...**

BANCO HISPANO AMERICANO NEW YORK BRANCH

Located in the heart of one of the world's
foremost financial centers

Doing business anywhere depends on business-like advice and up-to-date information, the kind only a strong European bank with over three-quarters of a century of experience in domestic and international banking can provide.

Founded in 1900, Banco Hispano Americano has that expertise.

As one of Spain's largest banks, with deposits of over \$11 billion, Banco Hispano Americano has an information gathering network of international scope with a host of worldwide offices in addition to over 1,300 branches in Spain.

BANCO HISPANO AMERICANO Your success is our business

New York Branch
Olympic Towers
645 Fifth Avenue
New York, N.Y. 10022
Tel: (212) 486-8170

International Headquarters
Banco Hispano Americano
Marques de Villamagna 3
Madrid, Spain
Tel: 435-8440



Current Legislation in Spain

A SUMMARY OF LEGISLATION PUBLISHED BETWEEN JANUARY 1, 1984 AND FEBRUARY 29, 1984

NOTE: O.S.G. = Official State Gazette

GENERAL

1. Office of the Head of State. Organic Law 1/84 of Jan. 5, 1984 amending Organic Law 6/80 of July 1, 1980 regulating the principal matters of the National Defense and Military Organization (OSG Jan. 7, 1984).

2. Presidency of the Government. Royal Decree 3301/83 of Dec. 7, 1983 approving a new Notarial Demarcation (OSG Jan. 11, 1984).

3. Office of the Head of State. Law 1/84 of Jan. 9, 1984 adding a new article to Law 46/77 of Oct. 15, 1977 on Amnesty (OSG Jan. 12, 1984).

This new article establishes that the actions for the recognition of the rights included in Law 46/77 will be unlimited. Nevertheless, the economic effects of the recognized rights will be subject to the several prescription rules established by the General Spanish Law (OSG Jan. 12, 1984).

4. Ministry of the Interior. Resolution of Jan. 10, 1984 of the General Directorate of the State Security, delegating to the Civil Governor of Barcelona the faculty established in Article 29 of Decree 522/74 of Feb. 14, 1974 on deportation of foreign individuals within the limits of the Province of Barcelona (OSG Jan. 23, 1984).

5. Ministry of Foreign Affairs. Royal Decree 136/84 of Jan. 25, 1984 on inscription of Spanish people in the Spanish Consulate Registries (OSG Feb. 1, 1984).

6. Ministry of the Interior. Resolution of Jan. 24, 1984 of the General Directorate of the State Security, delegating to the Civil Governor of Madrid the faculty established in Article 29 of Decree 522/74 of Feb. 14, 1974, on deportation of foreign individuals within the limits of the Province of Madrid (OSG Feb. 3, 1984).

ADMINISTRATIVE

1. Ministry of Education and Science. Order of Oct. 18, 1983 creat-

ing school groups abroad (OSG Jan. 3, 1984).

2. Ministry of Labor and Social Security. Royal Decree 3255/83 of Dec. 21, 1983 approving the Mining Statute (OSG Jan. 4, 1984).

3. Ministry of Health. Resolution of Dec. 23, 1983 from the General Directorate of Pharmacy and Health Products approving rules for the control of the imported pharmaceutical specialties and other products subject to authorization and/or registration at this General Directorate (OSG Jan. 6, 1984).

4. Ministry of Education and Science. Order of Jan. 5, 1984 regulating the Scholarship Commission (OSG Jan. 10, 1984).

5. Ministry of Education and Science. Order of Jan. 10, 1984 approving application rules of the Transitory Dispositions four, five (paragraphs 1, 2, 3 and 4), seven and nine (paragraphs 5, 6 and 7) of Law 11/83 of Aug. 25, 1983 on University reform (OSG Jan. 12, 1984).

6. Ministry of Culture. Royal Decree 3304/83 of Dec. 28, 1983 on protection of the Spanish cinematography (OSG Jan. 12, 1984).

7. Ministry of Economy and Finance. Royal Decree 3327/83 of Dec. 7, 1983 regulating the financial control and the budget of the Spanish public radio and television and its affiliated companies (OSG Jan. 18, 1984).

8. Presidency of the Government. Royal Decree 3343/83 of November 30, 1983 abolishing the Education and Cultural Provincial Directorates of the Basque Country (OSG Jan. 21, 1984).

9. Presidency of the Government. Royal Decree 104/84 of Jan. 25, 1984 regulating the exterior financing for toll roads (OSG Jan. 27, 1984).

10. Presidency of the Government. Royal Decree 127/84 of Jan. 11, 1984 regulating the specialized medical education and the acquisition of the Specialized Medical Degree (OSG Jan. 31, 1984).

11. Ministry of Health. Resolution

of Jan. 13, 1984 of the General Directorate of Pharmacy and Health Products updating the inscription at the Health Registry of material and sterile medical-surgical instruments to be used only once (OSG Jan. 31, 1984).

12. Ministry of Health. Royal Decree 137/84 of Jan. 11, 1984 on basic health structures (OSG Feb. 1, 1984).

13. Presidency of the Government. Resolution of Jan. 31, 1984 of the General Directorate of Means of Social Communication, publishing the advertising admission rules approved by the Board of Directors of Radiotelevisión Española (OSG Feb. 2, 1984).

14. Ministry of Culture. Order of Jan. 14, 1984 developing Royal Decree 2332/83 of Sept. 1, 1983, regulating the selling, distribution and public shows of audiovisual material (OSG Jan. 19, 1984).

15. Ministry of Culture. Order of Feb. 3, 1984 implementing Order of Jan. 14, 1984, which develops Royal Decree 2332/83 of Sept. 1, 1983 regulating the sale, distribution and public showings of audiovisual material (OSG Feb. 4, 1984).

16. Presidency of the Government. Order of Feb. 6, 1984 requesting the use of tacographs for the vehicles used for transportation of dangerous merchandise (OSG Feb. 10, 1984).

17. Ministry of the Interior. Order of Jan. 23, 1984 partially amending the Bingo Regulations and the Gambling Brochure approved by Orders of Jan. 9 and Oct. 9, 1979, respectively (OSG Feb. 11, 1984).

18. Ministry of Transportation, Tourism and Communications. Order of Jan. 23, 1984 developing Royal Decree 1794/82 of July 9, 1982 establishing the Postal Code for the classification of correspondence (OSG Feb. 11, 1984).

19. Presidency of the Government. Royal Decree 278/84 of Feb. 8, 1984 regulating the death subsidies payable by the Public Servants Mutual Association (OSG Feb. 16, 1984).

20. Presidency of the Government. Royal Decree 3463/83 of Sept. 28, 1983 amending certain articles of the Traffic Code (OSG Feb. 17, 1984).

21. Presidency of the Government. Royal Decree 302/84 of Jan. 25, 1984 authorizing the creation of the State Company "Empresa Nacional de Autopistas, S.A." (OSG Feb. 17, 1984).

22. Presidency of the Government. Royal Decree 303/84 of Feb. 15, 1984 assuring the functioning of the essential urban transport services of Madrid (OSG Feb. 17, 1984).

23. Presidency of the Government. Royal Decree 3480/83 of Dec. 21, 1983 amending paragraph 3 of Article 2 of Royal Decree 1217/81 of April 10, 1981 in support of the hydroelectric production in small stations (OSG Feb. 30, 1984).

24. Ministry of Justice. Royal Decree 334/84 of Feb. 8, 1984 creating several Trial and District Courts (OSG Feb. 20, 1984).

25. Ministry of Justice. Royal Decree 3503/83 of Dec. 21, 1983 amending Mortgage Regulations. This Royal Decree amends articles 97, 353, 354, 355 and 472 of the Mortgage Regulations (OSG Feb. 23, 1984).

INTERNATIONAL

1. Ministry of Foreign Affairs. Agreement of Dec. 6, 1983 between the Governments of Spain and the Republic of France relating to the exploitation of the range-finder laser station of San Fernando (Cádiz), signed in Madrid (OSG Jan. 7, 1984).

2. Ministry of Foreign Affairs. Supplementary Agreement of Feb. 2, 1979 to the Basic Agreement of Technical Cooperation between the Governments of the Kingdom of Spain and the Republic of Venezuela in the area of atomic energy for peaceful purposes, signed in Caracas (OSG Jan. 16, 1984).

3. Ministry of Foreign Affairs. Agreement of Oct. 20, 1983 on Economic and Industrial Cooperation between the Governments of the Kingdom of Spain and the Republic of East Germany, signed in Madrid (OSG Jan. 20, 1984).

4. Ministry of Foreign Affairs. Clarification of the text of Article 15.1 of

the Agreement between Spain and Italy regarding Social Security, and of Article 18 (e) of the Administrative Agreement for its application, both signed on Oct. 30, 1979 and published in the Official State Gazette on Dec. 15, 1983 (OSG Jan. 24, 1984).

5. Ministry of Foreign Affairs. International Coffee Agreement signed in London on Sept. 16, 1982. Provisional application (OSG Jan. 25, 1984).

6. Ministry of Foreign Affairs. Correction of error in the Instrument of Ratification dated May 18, 1982 of the Treaty between Spain and the Republic of Austria, on Social Security, and final protocol signed on Nov. 6, 1981. Agreement for the application of the Treaty signed in Vienna on April 6, 1983 (OSG Jan. 26, 1984).

7. Ministry of Foreign Affairs. Supplementary Agreement of Dec. 26, 1983 to the Basic Agreement of Technical and Scientific Cooperation between the Governments of Spain and Cuba, for the development of a social work program, signed in Havana (OSG Feb. 3, 1984).

8. Ministry of Foreign Affairs. Supplementary Agreement of Technical Cooperation to the Agreement of Social Cooperation of Dec. 31, 1983 between the Governments of the Kingdom of Spain and the Republic of Honduras, for the development of a social work program, signed in Tegucigalpa (OSG Feb. 3, 1984).

9. Office of the Head of State. Instrument of Adherence of Spain dated Nov. 3, 1983 to the Agreement for the creation of a European Organization of Nuclear Investigation (CERN) signed in Paris on July 1, 1953 (published in the Official State Gazette on Sept. 10, 1962 (OSG Feb. 7, 1984).

10. Ministry of Foreign Affairs. Resolution of Jan. 24, 1984 of the General Technical Secretariat, publishing the notifications between Governments on existing treaties received by the Ministry between Sept. 1 and Dec. 31, 1983 (OSG Feb. 8, 1984).

11. Ministry of Foreign Affairs. Resolution of Feb. 6, 1984 of the General Technical Secretariat publishing the general Regulations of the Sevilla-Chicago fair 1992 (OSG Feb. 9, 1984).

12. Office of the Head of State.

Instrument of ratification dated Nov. 16, 1981 of the Protocol of Dec. 21, 1979 amending the International Agreement of Aug. 25, 1924 for the unification of certain rules regarding bills of lading (OSG July 31, 1930), amended by the Protocol of Feb. 23, 1968 (OSG Feb. 11, 1984).

13. Ministry of Foreign Affairs. Instrument of Ratification of Nov. 29, 1982 of the European Agreement on Medical and Social Assistance and its Additional Protocol, signed in Paris on Dec. 11, 1953 (OSG Feb. 17, 1984).

14. Ministry of Foreign Affairs. Amendments proposed by the United Kingdom to the first annex of the Agreement on International Transports of perishable merchandise (published in the Official State Gazette Nov. 22, 1976) which were circulated by the General Secretary of the United Nations on May 12, 1981 (OSG Feb. 28, 1984).

COMMERCIAL

1. Ministry of Economy and Finance. Correction of errors in Order of Dec. 26, 1983 on cash availability coefficients of the financial intermediary institutions (OSG Jan. 4, 1984).

2. Ministry of Economy and Finance. Correction of errors in Order of Sept. 20, 1983 (OSG Nov. 1, 1983) developing group 9 of the General Accounting Plan relative to Analytic Accounting (OSG Jan. 4, 1984).

3. Ministry of Economy and Finance. Correction of errors in Order of Dec. 20, 1983 increasing by 0.5 points the investment coefficient of private banks (OSG Jan. 6, 1984).

4. Ministry of Economy and Finance. Order of Jan. 4, 1984 on cash availability coefficients of the financial intermediary institutions, amending paragraph 7 of Order of Dec. 26, 1983 establishing that it will be in force the same day as Law 26/83 of Dec. 26, 1983 on cash availability coefficients of the financial intermediary institutions (OSG Jan. 7, 1984).

5. Ministry of Economy and Finance. Royal Decree 3291/83 of Nov. 9, 1983 on the establishment overseas of Spanish savings institutions (OSG Jan. 9, 1984).

This Royal Decree establishes that the establishment overseas of savings

institutions will require previous authorization from the Ministry of Economy and Finance, proposed by the Central Bank and prior report of the Spanish Association of Savings Institutions.

6. Ministry of Economy and Finance. Order of Dec. 23, 1983 authorizing the insurance companies to increase the rates in the field of health assistance [OSG Jan. 10, 1984].

7. Presidency of the Government. Royal Decree 3300/83 of Dec. 14, 1983 amending Article 6 of Royal Decree 1670/78 of June 29, 1978 on reorganization of the exportation sector of oranges and other citrus products [OSG Jan. 11, 1984].

8. Ministry of Economy and Finance. Resolution of Nov. 11, 1983 of the General Intervention of the State Administration, approving the new version of the General Public Accounting Plan [OSG Jan. 190, 1984].

9. Ministry of Economy and Finance. Order of Jan. 18, 1984 increasing the investment coefficient of the private banks [OSG Jan. 21, 1984].

This order increases by 3.5 points the investment coefficient that the private banks should keep in connection with their deposits. This increase will be wholly invested in public bonds.

10. Ministry of Economy and Finance. Order of Jan. 18, 1984 increasing by 3.5 points the public funds coefficient of the savings institutions [OSG Jan. 21, 1984].

This increase of 3.5 points in the investment coefficient that the savings institutions should keep in connection with their deposits, will be applicable to the minimum of 6.75% to be covered by investment securities. The final level coefficient of public funds is fixed at 28.75%.

11. Ministry of Economy and Finance. Resolution of Jan. 9, 1984 of the General Directorate of Exportation amending the minimum volume of exportation and the technical requirements which are mandatory in order to enter and remain active in the Special Tiles Exporters Registry [OSG Jan. 23, 1984].

12. Ministry of Economy and Finance. Resolution of Jan. 4, 1984 of the General Directorate of Domestic Commerce regulating the labeling and packaging of food products which are packaged in public points of sale [OSG

Jan. 23, 1984].

13. Ministry of Economy and Finance. Order of Jan. 27, 1984 adapting the term of the Public Fund coefficient established for the savings institutions [OSG Feb. 1, 1984].

This Order establishes that the final level coefficient of public funds fixed at 28.75% shall be reached starting on January 31, 1984.

14. Ministry of Economy and Finance. Resolution of Jan. 25, 1984 of the General Directorate of Exportation amending the list of products subject to exportation control and inspection [SOIVRE]. [OSG, Feb. 2, 1984].

15. Ministry of Economy and Finance. Royal Decree 243/84 of Jan. 11, 1984 partially amending Royal Decree 2860/78 of Nov. 3, 1978 regulating the Credit Cooperatives [OSG Feb. 10, 1984].

16. Ministry of Economy and Finance. Royal Decree 279/84 of Jan. 25, 1984 abolishing Royal Decree 1848/80 of Sept. 5, 1980 and establishing a new regulation for the public offering of stocks and bonds [OSG Feb. 16, 1984].

17. Ministry of Economy and Finance. Order of Feb. 10, 1984 amending paragraph 7 of Order of Feb. 26, 1979 on credit institutions [OSG Feb. 17, 1984].

18. Ministry of Economy and Finance. Royal Decree 360/84 of Feb. 8, 1984 regulating the specially regulated loan coefficient of the savings institutions [OSG Feb. 25, 1984].

This Royal Decree establishes that the Autonomous Communities are authorized to determine which credits qualify to meet the coefficient requirement. The Government will fix the percentage of the coefficients.

19. Ministry of Economy and Finance. Order of Feb. 27, 1984 on liquidity requirements of the rural savings institutions [OSG Feb. 28, 1984].

20. Ministry of Economy and Finance. Order of Feb. 27, 1984 on cooperation agreements between credit institutions and rural savings institutions [OSG Feb. 28, 1984].

21. Ministry of Economy and Finance. Resolution of Feb. 20, 1984 of the General Directorate of Exportation, excluding certain old or used merchan-

dise as export items exempt from license [OSG Feb. 28, 1984].

LABOR

1. Ministry of Labor and Social Security. Order of Dec. 22, 1983 regulating the recognition of seniority for service in the Social Security Administration [OSG Jan. 2, 1984].

2. Ministry of Labor and Social Security. Royal Decree 43/84 of Jan. 4, 1984 amplifying the compulsory coverage under the Special Regime of Social Security for independent contractors [OSG Jan. 11, 1984].

3. Ministry of Labor and Social Security. Royal Decree 44/84 of Jan. 4, 1984 amplifying the compulsory coverage under the regime of Social Security for trade representatives [OSG Jan. 11, 1984].

4. Ministry of Labor and Social Security. Royal Decree 45/84 of Jan. 4, 1984 amplifying the compulsory coverage under the regime of Social Security for literary writers [OSG Jan. 11, 1984].

5. Ministry of Labor and Social Security. Order of Jan. 10, 1984 giving rules on the timing and means of payments due under the Special Regime of Social Security, for persons who are independent contractors [OSG Jan. 11, 1984].

6. Ministry of Labor and Social Security. Royal Decree 46/84 of Jan. 4, 1984 on payments to the Social Security, Unemployment, Guaranteed Salary and Professional Formation Funds during 1984 [OSG Jan. 11, 1984].

7. Ministry of Labor and Social Security. Correction of errors in Royal Decree 3236/83 of Dec. 21, 1983 extending the application of Section 1 Chapter II of Royal Decree 1445/82 of June 25, 1982 regulating several measures for increase of employment [OSG Jan. 19, 1984].

8. Ministry of Labor and Social Security. Royal Decree 90/84 of Jan. 18, 1984 on the revaluation of the Pensions of the Social Security System [OSG Jan. 19, 1984].

9. Ministry of Labor and Social Security. Correction of errors in Royal Decree 3239/83 of Dec. 28, 1983 establishing incentives for hiring workers older than 45 years of age [OSG Jan. 19, 1984].

Very soon now, there'll be a little
bit of Goya in every good cook's kitchen.

Maybe they'll start with our elegant salad makers. Go on next to our beans, over to our nectars, hello rice, black bean soup. One after another, exploring the wonderful variety of tastes that say

Goya—over 700 fine foods from all over the world that good cooks all over America are discovering every day. Enriching their cooking and the good people who carry our line.



If it's

GOYA

it has to be good.

CURRENT LEGISLATION IN SPAIN

10. Ministry of Labor and Social Security. Order of Jan. 18, 1984 amending paragraph 3 of Article 2 of Order of Feb. 13, 1967 establishing rules for the application and development of death and survival benefits under the general regime of the Social Security (OSG Jan. 25, 1984).

11. Ministry of Labor and Social Security. Order of Feb. 3, 1984 developing Royal Decree 46/84 of Jan. 4, 1984 on payments to the Social Security, Unemployment, Guaranteed Salary and Professional Formation Funds during the year 1984 (OSG Feb. 9, 1984). Note: See number 6 above.

12. Ministry of Labor and Social Security. Order of Feb. 3, 1984 fixing the coefficient applicable for 1984 to determine the contributions for the maintenance of common and social services to be rendered by the Employers Mutual Associations for working accidents (OSG Feb. 14, 1984).

13. Ministry of Labor and Social Security. Order of Feb. 3, 1984 amending Order of Sept. 1, 1973 in connection with the signing of the Special Agreement for emigrant workers (OSG Feb. 14, 1984).

14. Ministry of Labor and Social Security. Order of Feb. 9, 1984 developing Royal Decree 3239/83 of Dec. 28, 1983 establishing incentives for hiring workers older than 45 years of age (OSG Feb. 21, 1984).

FOREIGN INVESTMENT

1. Ministry of Economy and Finance. Royal Decree 222/84 of Feb. 8, 1984 extending again Royal Decree 1955/82 of Aug. 12, 1982 which suspends the liberalization of the Spanish investments overseas established in Article 12 of Royal Decree 2236/79 of Sept. 14, 1979. (OSG Feb. 9, 1984).

The investments which continue to be suspended are those in fixed income bonds issued in foreign currency by public or private Spanish legal entities or by International Multilateral Organizations.

2. Ministry of Economy and Finance. Resolution of Feb. 13, 1984 of the General Directorate of Foreign Transactions, amending Resolution of Jan. 25, 1975 establishing the procedure for the declaration of foreign investments (OSG Feb. 28, 1984).

The foreign individuals resident of Spain, Spanish companies with foreign participation in their capital, and branches in Spain of foreign companies, making investments in ordinary pesetas, in insurance activities, portfolio investments and in Mutual Investment Funds, will be able to substitute the individualized declaration of each investment and disposal of such investment, effected on the Stock Exchange, for an annual global declaration.

CONSTITUTIONAL COURT

1. Constitutional Court. Positive Conflict of Jurisdiction number 482/83 filed by the Spanish Government in connection with Decree 84/83 of Mar. 3, 1983 of the Executive Council of the Generalidad of Catalonia (OSG Jan. 3, 1984).

2. Constitutional Court. Petition for declaration of unconstitutionality number 822/83. (OSG Jan. 3, 1984).

3. Constitutional Court. Appeal on constitutional grounds number 848/83 filed by the Junta of Galicia against certain articles of Royal Decree-Law 8/83 of Nov. 30, 1983 on Reconversion and Reindustrialization Plan (OSG Jan. 3, 1984).

4. Constitutional Court. Appeal on constitutional grounds number 868/83 filed by Don Luis Fernández Fernández-Madrid on behalf of 53 Senators against the final text of the Organic Bill on Deputies and Senators incompatibilities (OSG Jan. 3, 1984).

5. Constitutional Court. Appeal on constitutional grounds number 29/84 filed by the Executive Council of the Generalidad of Catalonia against Article 15.2 of Law 12/1983 of Oct. 14, 1983 on the Autonomy Process (OSG Feb. 7, 1984).

6. Constitutional Court. Appeal on constitutional grounds number 11/84, 1984, filed by Don Luis Fernández Fernández-Madrid on behalf of 53 Senators against certain articles of Law 2/83 of the Generalidad of Valencia (OSG Feb. 14, 1984).

FISCAL

1. Ministry of Economy and Finance. Royal Decree 3251 of Dec. 28, 1983 amending certain customs quo-

tas, free of duties, established by Royal Decrees 491/83 of March 9, 1983 and 2318/83 of July 13, 1983 (OSG Jan. 2, 1984).

2. Ministry of Economy and Finance. Circular 898 of Dec. 16, 1983 on the establishing of statistical codes (OSG Jan. 3, 1984).

3. Ministry of Economy and Finance. Royal Decree 3252/83 of Dec. 21, 1983 amending items 15.07, 28.04, 29.26, 30.02, 44.05, 69.01, 82.11, 85.21 and 92.11 of the Customs Tariff (OSG Jan. 3, 1984; corrections on OSG Jan. 20, 1984).

4. Ministry of Economy and Finance. Royal Decree 3281/83 of Dec. 28, 1983 amending the Turnover Equalization Tax applicable to the importation of corn (OSG Jan. 5, 1984).

5. Ministry of Economy and Finance. Circular No. 899 of Dec. 29, 1983 of the General Directorate of Customs and Special Taxes on imports of army supplies (OSG Jan. 10, 1984).

6. Ministry of Economy and Finance. Royal Decree 50/84 of Jan. 11, 1984 establishing import quotas, free of duties, for the importation of paraxileno (item 2901 D.I.b). (OSG Jan. 13, 1984).

8. Ministry of Economy and Finance. Order of Jan. 5, 1984 approving the Plan on Disposition of Public Treasure Funds implementing Article 77 of General Budget Law 11/77 of Jan. 4, 1977 (OSG Jan. 19, 1984).

9. Ministry of Economy and Finance. Circular No. 900 of Jan. 13, 1984 of the General Directorate of Customs and Special Taxes, establishing that in the importation of coffee the use of form "O" of the International Coffee Organization will be acceptable as certificate of origin (OSG Jan. 25, 1984).

10. Ministry of Economy and Finance. Order of Jan. 13, 1984 approving the new fee schedule for Customs Officials (OSG Jan. 26, 1984).

11. Ministry of Economy and Finance. Royal Decree 102/84 of Jan. 11, 1984 crediting the Special Turnover Equalization Tax (Impuesto de Compensación) on importation of iron and prerduced minerals (OSG Jan. 26, 1984).

12. Ministry of Economy and Finance. Resolution of Jan. 17, 1984 of

the General Directorate of Taxes, on temporary treatment of funding for social security institutions (OSG Jan. 26, 1984).

13. Ministry of Economy and Finance. Royal Decree 106/84 of Jan. 25, 1984 extending the partial suspension of certain customs duties of normal application (OSG Jan. 27, 1984).

14. Ministry of Economy and Finance. Order of Jan. 4, 1984 amending Order of July 5, 1983, amplifying the maximum quantity to import in 1983 to be charged to customs quotas, free of duties, of motors, shift boxes, sheet elements, and subgroups for automobile bodies (OSG Feb. 4, 1984).

15. Presidency of the Government. Royal Decree 221/84 of Feb. 8, 1984 amending the Organic structure of the Ministry of Economy and Finance (OSG Feb. 9, 1984).

16. Ministry of Economy and Finance. Royal Decree 242/84 of Jan. 11, 1984 amending the system of customs areas on private premises (OSG Feb. 10, 1984).

17. Ministry of Economy and Finance. Royal Decree 282/84 of Feb. 8, 1984 on temporary amendments of the customs duties applicable to certain goods (OSG Feb. 16, 1984).

18. Ministry of Economy and Finance. Royal Decree 280/84 of Feb. 9, 1984 amplifying, extending and amending the list of equipment goods annexed to the Customs Tariff (OSG Feb. 16, 1984).

19. Ministry of Economy and Finance. Royal Decree 281/84 of Feb. 8, 1984 amplifying the term established in Article 2 of Royal Decree 702/77 amending the Sixth Preliminary Disposition of the Customs Tariff (OSG Feb. 16, 1984).

20. Ministry of Economy and Finance. Order of Jan. 20, 1984 fixing the maximum amount to import in the first semester of 1984, to be charged to customs quotas, free of duties, of press paper and pulp for the manufacturing of this paper (OSG Feb. 16, 1984).

21. Ministry of Economy and Finance. Royal Decree 307/84 of Feb. 8, 1984 regulating the withholding payments of the Individual Income Tax (OSG Feb. 18, 1984).

First, this Royal Decree extends, for

fiscal year 1984, the application of the withholding schedules established for 1983 in paragraphs 1 and 2 of Article 157 of the Regulations of Individual Income Tax, amended by Royal Decree 1261/83 of April 27, 1983.

Regarding pensions: New withholding schedules are established.

This Royal Decree also confirms the withholding of 18% on income from capital under the Individual Income Tax.

On professional, artistic or sporting activities, the withholding rate is reduced to 5% of the gross amount of the income, unless the activities are carried out by the agent-sellers of the blind people lottery, when the rate will be 4%.

Finally we should point out that this Royal Decree establishes certain rules for payments on account, both under the singular objective estimates and direct estimates.

Trust us with your overnight shipment to Spain and South America

Choice Air International's personalized service philosophy

When you contact Choice Air International anywhere in the world, you're dealing with people. People you can trust.

Because the people at Choice understand the importance of your shipment, we have created a fully integrated network of member offices to provide you with the efficient, secure courier service you would expect from people you trust.



NEW YORK
(212) 683-2626

MADRID
246-3613

NATIONWIDE
(800) 223-5779

BARCELONA
243-2201

22. Ministry of Economy and Finance. Royal Decree 3502/83 of Dec. 28, 1983 crediting the Special Turnover Equalization Tax (Impuesto de Compensación) on importation of press paper for 1984 (OSG Feb. 22, 1984).

23. Ministry of Economy and Finance. Royal Decree 351/84 of Jan. 25, 1984 specifying the general schedule of Individual Income Tax for the taxpayers subject to simplified declaration, and fixing the limits of application of this declaration (OSG Feb. 24, 1984).

24. Ministry of Economy and Finance. Royal Decree 361/84 of Feb. 8, 1984 on declaration and payment of the Corporate and Individual Income Tax (OSG Feb. 25, 1984).

25. Ministry of Economy and Finance. Royal Decree 382/84 of Feb. 22, 1984 developing the balance sheet revaluations regulated by the General State Budget Law of 1983 (OSG Feb. 27, 1984).

First we have to point out that the entities subject to the Corporate Income Tax, whether residents of Spain or not, may have included in their balance sheet the revaluations established in Article 32 of Law 9/1983 of July 13, 1983 approving the General Budget of the State for the fiscal year 1983.

In the case of taxpayers who are residents of Spain, the revaluation will affect all fixed assets located in Spain or abroad, and to stocks and bonds issued in Spanish or foreign currencies.

For taxpayers resident abroad, the revaluation will affect the above referred to properties, provided that they are dedicated to their permanent establishment in Spain.

This Royal Decree also establishes several general rules for the revaluation. Regarding the revaluation of book values, the most important rules are the following:

- 1) The revaluation will be carried out starting with the last one authorized, regulated by Royal Decree 621/81 of March 27, 1981.
- 2) In the case of assets under construction the revaluation may not be applied to capitalized interests. Only the portion of the investment carried out in each fiscal year may be revalued and subject to the corresponding coefficient.

3) When on any of the revaluated elements monetary adjustments have been made after the last authorized revaluation, including the voluntary revaluations referred to in Article 62.2 of the Corporate Tax Regulations, such adjustments must not be included in calculating this revaluation.

We have to point out that this Royal Decree also establishes certain rules concerning the assets that will revert to the State, which may also be revalued.

As for the revaluation of common stocks which are not quoted on the stock exchange, it should be pointed out that according to this Royal Decree it is possible to value them based on the balance sheet of Dec. 31, 1983.

This Royal Decree also includes certain special valuation rules. In this context it should be pointed out that the entities which hold more than 25% of the capital stock of other entities may choose to adapt the revaluation of their participations in said companies at the date of the closing of the fiscal year of each company or on the following day.

For those entities which are subject to corporate tax under the consolidated basis system, the revaluation must be

simultaneous for all the companies forming the group.

This Royal Decree also establishes the schedules of the revaluation coefficients, which is as follows:

Year of acquisition of the asset	Maximum revaluation coefficient
1980	1.34
1981	1.21
1982	1.09
1983	1.00

Finally, the Decree also includes some rules concerning the restrictions on the reserve, availability of the account, disposal or revalued assets, etc. Regarding the tax benefits established by this Decree, they are the following:

- 1) The capital gains obtained upon the revaluation carried out in accordance with this Royal Decree and reflected in the corresponding account will be tax exempt from the Corporate Income Tax.
- 2) In the case of capital increases, the free portion chargeable to the account and in the case of transformation of companies resulting from said capitalization, will be exempt from the Transfer Tax.

BUSINESS OPPORTUNITIES:

Spanish Products Offered

(CONTINUED FROM PAGE 34)

Textiles for the home:

Artiban, S.L.
c/ Musico Carbonell, 6
Alcoy (Alicante)

Automobile accessories:

Hesperia Internacional, S.A.
c/ Caballero, 78-80
Barcelona-29

Offers services as translators and teachers of Spanish:

Escuela de Traductores e
Interpretes de Valencia
c. San Vicente, 55-4
Valencia-2

Washer aranklocks; corofix spring washers; elastic rings; spring dowel pins; disc spring; toothed washer; spring washer:

Sinard, S.A.
Apartado de Correos, 224
Sabadell (Barcelona)

Seeks representative for water purifier device, fully automatic:

Tim. Internacional, S.A.
c/ Artaza, 7
Lejona (Vizcaya)

Terrycloth articles (towels, kitchen towels, bathrobes etc.):

Blasco & Galbis, S.A.
Apartado de Correos, 46
Albaida (Valencia)

Bridal accessories; shoes; dresses; veils; etc.:

Trame Internacional, S.A.
c/ San Delfin, 9-11
Barcelona-22

Rabbit skins, finished, dressed and dyed for the fur trade:

Curtidos Masso
Circunvalación baja, 57
Cerdanyoa (Barcelona)

Reunión Informativa en Madrid sobre el mercado norteamericano

On April 5th, a delegation from New York visited Madrid to participate in a seminar on opportunities for Spanish products in the U.S. market. Among them were Rafael Aguilar, Commercial Counselor of Spain in New York, Ricardo Jove, President of the Chamber, and Chamber Director Joseph Caragol. We are publishing below excerpts from the introductory remarks of Mr. Adrian Piera, President of the Chamber of Commerce and Industry of Madrid, which will be of interest to Spanish members.



En la Reunión Informativa: Sr.D. Rafael Aguilar, Sr.D. Adrián Piera, y Sr.D. Ricardo Jove.

Las percepciones de tipo general que tiene, y en algunos casos, sigue manteniendo el exportador español en relación con el acceso al mercado de los Estados Unidos, creo que se centran en dos aspectos que obedecen a la correlación causa-efecto.

Creo que, en líneas generales, existe un gran desconocimiento de la normativa interna de las prácticas comerciales, del marco legal de las posibilidades de apoyo locales por parte de las Oficinas Comerciales y Cámaras Hispano-Norteamericanas y, en definitiva, del mercado.

Todo ello lleva a muchos exportadores a reaccionar con cierto "temor" (entre comillas) hacia un mercado que percibe como de gran potencial de negocios, pero con una excesiva sofisticación en sus canales de distribución.

Como todos Vds., creo que vender a los Estados Unidos no es una tarea fácil, pero que hemos de afrontarla, pues se trata de un mercado comprador interesantísimo en el que debemos posicionar nuestros productos a medio plazo. Y en ello estamos empeñados colaborando con el INFE y la Secretaría de Comercio.

Nuestros principales competidores internacionales, y especialmente los italianos y franceses, con el apoyo indudable de sus Administraciones, han entendido perfectamente que vender a EE.UU. es una buena parte de sus efectivos de marketing en determinadas zonas de las 8 áreas comerciales norteamericanas, están consiguiendo acceder actualmente a los denominados "segundos canales de distribución".

Comentando este esfuerzo exportador con algunos colegas de las Cámaras de Comercio francesas e italianas, me informaban muy recientemente, que han llegado a tener una serie de marcas de productos muy identificadas, con procedencia de origen, de tal manera que el consumidor medio estadounidense sepa

siempre qué está comprando y quién está tras cada producto concreto, ya sean vinos, confecciones textiles, artículos para el hogar, maquinarias, o automóviles.

Algunos fabricantes y exportadores de los Países citados pensaron que el consumidor norteamericano era casi un snob de las marcas, pero sin entender para nada de calidades ni productos. "¿Para qué más que una calidad como la nuestra y unos precios como los que ofrecemos?". "¿Qué más que un producto importado de Europa, con nuestra calidad y diseño?". Bien, pues quienes así pensaban hicieron bastantes exportaciones iniciales por hoy, casi 10 años después de sus primeras experiencias, han debido replantear su marketing exportador viendo cómo sus propios competidores connacionales, siguiendo técnicas americanas que facilitaban la adecuación de sus productos al mercado estadounidense, se han posicionado en el mercado con gran éxito, obligándoles a abandonar el escenario comercial norteamericano por el foro y sin aplausos, cayéndoles el gran telón sin haber podido mostrar al consumidor medio sus calidades, sus precios, y aun su diseño.

Lógicamente, éstas son líneas generales para algunos planteamientos previos y particularmente para los exportadores de artículos de consumo.

Respecto a Sectores concretos, creo que hay que estudiar uno por uno, como venimos haciendo en esta Cámara por medio de nuestras promociones de Becarios y Técnicos de Comercio Exterior, de entre los cuales y desde hace más de 10 años, destacamos a un Técnico de Comercio Exterior significado para el estudio de las diferentes áreas comerciales de los EE.UU.

Cada Sector tiene plantamientos distintos, peculiaridades diferenciadoras, pero, volviendo a las

líneas generales, semejantes o similares cuando la acción comercial las mueve de manera correcta o con el apoyo del esfuerzo exportador apropiado.

Quienes en esta Cámara atienden de manera directa al exportador tratando de responder a la clásica pregunta de: "¿Es vendible mi producto en los Estados Unidos?", cuentan con la experiencia de que los productos son vendibles en aquel mercado en función directa de que se hayan escogido los medios o los métodos apropiados para su venta, en mayor medida que respecto de otros mercados, por ejemplo europeos, en los que también la sofisticación es un factor muy a tener en cuenta. En definitiva, el producto será vendible si se supo acertar con el medio de penetración adecuado, ya que, creemos que en Estados Unidos, comercialmente no se pueden cometer errores.

Por ello, he de agradecer, en nombre propio y en el de esta Cámara, la feliz iniciativa de la Oficina Comercial Española en Nueva York, que conjuntamente con el INFE, nos planteó la posibilidad de celebrar esta Reunión Informativa, cuyo objetivo principal se centrar en facilitarles a Vds. de manera

directa, y en muchos casos testimonial, información sobre las experiencias vividas por estos Empresarios hispano-norteamericanos, pertenecientes todos ellos a las Cámaras de Comercio Españolas en Estados Unidos, quienes les comentarán aspectos tan interesantes como las prácticas comerciales norteamericanas, la necesidad de adaptación del producto exportable español al mercado estadounidense, aspectos técnicos sobre productos industriales y tecnología, y experiencias sobre el establecimiento de una Empresa española en los Estados Unidos.

Como Vds. saben, el intercambio hispano-norteamericano registra un déficit de 288.880 millones de Ptas. para nuestro País. España exportó en 1983 206.639 millones de Ptas., en tanto que importamos productos norteamericanos por valor de 495.499 millones de Ptas.

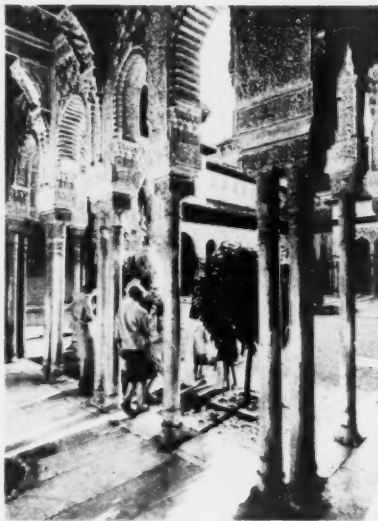
El déficit de nuestros intercambios podría nivelarse sustancialmente si, señalados hoy estos escollos, somos capaces entre todos de abordar con una nueva mentalidad y un renovado esfuerzo exportador nuestro comercio con Estados Unidos.

Superstars of Music and Dance at 33rd Granada Festival

This will be the 33rd year of Granada's International Festival of Music and Dance, and even more than ever the Alhambra will be vibrant with its sights and sounds from June 19th to July 7th.

This annual summer arts festival, which has become one of the most important in Europe, will be a continuum of international superstar performances of music and dance, in a setting that is indeed one of the wonders of the world. The Alhambra is the most magnificent Moorish palace in Spain and one of the most extraordinary sights anywhere.

The lavish fountains and gardens of the Generalife, the 14th century summer palace of the Kings of Granada, will be the sensuous setting for the performances of "Romeo and Juliet" by the Basel Ballet of Switzerland, starring Sylviane Bayart as prima ballerina, and also a series of dance presenta-



tions by the National Classical Ballet of Spain—from Tchaikovsky to Balanchine—starring Trinidad Sevilano and Fernando Bujones.

The majestic Palace of Carlos V

will be the stage for the English Chamber Orchestra, the Concertgebouw of Amsterdam, and a concert by pianist Alexis Weissenberg (in memory of Rosa Sabater). The Spanish National Chorus and Orchestra will fill the air with music by Arriaga and Mozart, and Montserrat Caballé will be one of the eight soloists in Manuel de Falla's "La Vida Breve," conducted by Jesús López Cobos. Also, the Orquesta Sinfónica de Radiotelevisión Española will be performing Honneger's "King David" and Mahler's Third Symphony.

The patio de los Arrayanes will be the setting for recitals by the famous tenor Manuel Cid and by Edda Mosler, accompanied by pianist Edelmiro Arnaltes.

The Spanish Chamber Orchestra will perform wondrous works of Manuel de Falla at Granada's Manuel de Falla Center.

And Granada, in the heart of Andalucía, will also be palpitating with flamenco and the best of *cante jondo* to be presented at the festival.

Fairs and Exhibitions in Spain

JUNE THROUGH DECEMBER, 1984

JUNE — INTERNATIONAL

BARCELONA, June 2-10: **International Fair of Barcelona**; Avda. Reina M^a Cristina, Barcelona-4.

JUNE — NATIONAL

LERIDA, JUNE 1-4: **INCOPORC (National Pork Industry Fair)**; Apartado 106, Lérida.

JULY — NATIONAL

EL FERROL, July 14-25: **Northwestern Samples Fair**; Apartado 201, El Ferrol (La Coruña).

AUGUST — NATIONAL

GIJON, August 4-19: **XXVIII National Samples Fair of Asturias**; Instituto, 17; Gijón.

SEPTEMBER — INTERNATIONAL

ELDA (Alicante), Sept. 11-14: **FICC-84 (International Footwear Show, 2nd Edition)**; Apartado 104, Elda (Alicante).

VALLADOLID, Sept. 11-23: **International Fair of Valladolid**; Avda. Ramón Pradera, Valladolid.

VALENCIA, Sept. 13-16: **FIMIJ-84 (International Children's and Teenagers' Fashion Fair)**; Apartado 476, Valencia.

BARCELONA, Sept. 25-30: **LIBER-84 (International Book Fair)**; Avda. Reina M^a Cristina, Barcelona-4.

VALENCIA, Sept. 25-30: **FIM-84 (International Furniture Fair)**; Apartado 476, Valencia.

MADRID, Sept. 28-30: **INTERMODA-84 (International Fashion Show)**; Avda. Portugal s/n, Madrid-11.

MADRID, Sept. 28-30: **IBERMODA-84 (Men's Fashion Exhibition)**; Avda. Portugal, s/n, Madrid-11.

MADRID, Sept. 28-30: **IMAGENMODA-84 (Women's Fashion Exhibition - 2nd Edition)**; Avda. Portugal, s/n, Madrid-11.

SEPTEMBER — NATIONAL

MADRID, Sept. 4-7: **REGALOFAMA (VII National Giftware Show)**; Avda. Portugal, s/n, Madrid-11.

BARCELONA, Sept. 15-18: **Sports and Camping Show**; Avda. Reina M^a Cristina, Barcelona-4.

MADRID, Sept. 15-17: **FIDEC (II National Sporting Goods Show)**; Avda. Portugal, s/n, Madrid.

MAHON, Sept. 16-20: **SEBIME (National Costume Jewelry Fair)**; Polígono Industrial, Apartado 353, Mahón (Menorca).

BARCELONA, Sept. 17-20: **PROMO-REGALO-84 (Promotional and Business Gift Show)**; Avda. Reina M^a Cristina, Barcelona-4.

ZARAGOZA, Sept. 21-25: **INTERIORISMO (National**

Monographic Interior Decoration and Equipment Show); Apartado 108, Zaragoza.

BARCELONA, Sept. 22-28: **EXPOHOGAR-84 (National Home Show)**; Avda. Reina M^a Cristina, s/n, Barcelona-4.

LERIDA, Sept. 23-30: **National Agricultural and Fruit Fair**; Apartado 106, Lérida.

OCTOBER — INTERNATIONAL

MADRID, Oct. 1-5: **TEM-84 (International Municipal Equipment Techniques Exhibition)**; Avda. Portugal, s/n, Madrid-11.

BARCELONA, Oct. 1-7: **SONIMAG-84 (International Image, Sound and Electronics Show)**; Avda. Reina M^a Cristina, Barcelona-4.

BILBAO, Oct. 3-6: **FERROFORMA-84 (International Hardware Exhibition)**; Apartado 468, Bilbao.

VALENCIA, Oct. 18-22: **IBERFLORA-84 (International Horticultural Show)**; Apartado 476, Valencia.

BARCELONA, Oct. 23-28: **TECNOALIMENTARIA-84 (International Catering Equipment Exhibition)**; Avda. Reina M^a Cristina, Barcelona-4.

BILBAO, Oct. 23-31: **Biennial International Machine Tools Fair**; Apartado 468, Bilbao.

BARCELONA, Oct. — : **Ready to Wear Fashion Show, Autumn edition**; Avda. Reina M^a Cristina, Barcelona-4.

OCTOBER — NATIONAL

TORRELAVEGA, Oct. — : **EXPO LACTEA-84 (Dairy Show)**; Avda. Fernando Arce, 6; Nueva Ciudad; Torrelavega (Santander).

BARCELONA, Oct. 1-7: **EXPODOMESTICA-84 (National Household Appliances Show)**; Avda. Reina M^a Cristina, Barcelona-4.

ZARAGOZA, Oct. 4-14: **FONM (Official National Samples Fair)**; Apartado 108, Zaragoza.

EL FERROL, Oct. 6-14: **National Fair of the Naval Industry**; Apartado 201, El Ferrol (La Coruña).

MADRID, Oct. 12-14: **VII Footwear Week**; Avda. Portugal s/n, Madrid-11.

SEVILLA, Oct. 31-Nov. 4: **SANITARIA-84 (Medical, Pharmaceutical, Hospital and Surgical Equipment Show)**; Apartado 4016, Sevilla.

MADRID, Oct. 31-Nov. 4: **TURINVER-84 (National Tourism, Mountaineering and Winter Fair)**; Avda. Portugal, s/n, Madrid-11.

MADRID, Oct.-Nov. — : **IBERPIEL (XVI National Leather and Luggage Show)**; Avda. Portugal, s/n, Madrid-11.

NOVEMBER — INTERNATIONAL

ELDA (Alicante), 1st fortnight of Nov.: **MODATECC-84 (International Footwear and Related Industries Show)**; Apartado 104, Elda (Alicante).

LAS PALMAS, 1st fortnight: **International Fair of the Canary Islands**; Apartado 50, Las Palmas de Gran Canaria.

MADRID, Nov. 16-23: **SIMO-84 (International Office and Data Processing Show)**; Avda. Portugal s/n, Madrid-11.

BARCELONA, Nov. 19-24: **EXPOQUIMIA-84 (Applied Chemistry Show)**; Avda. Reina M^a Cristina, Barcelona-4.

ZARAGOZA, Nov. 20-24: **ROBOTICA-84**; Apartado 108, Zaragoza-9.

VALENCIA, Nov. 21-25: **FIMMA-MADERALIA-84 (International Woodworking Machinery Fair)**; Apartado 476, Valencia.

NOVEMBER — NATIONAL

MADRID, Nov. 6-10: **TECNOVA (National Industrial Innovation and Technology Fair)**; Avda. Portugal s/n, Madrid-11.

MADRID, Nov. 6-10: **II Subcontracting Show**; Avda. Portugal, s/n, Madrid-11.

SEVILLA, Nov. 24-26: **ACICAL-84 (Hairdressing and Cosmetics Show)**; Apartado 4016, Sevilla.

MADRID, Nov. 29-Dec. 9: **FERIARTE (VIII Spanish Antiques Fair)**; Avda. Portugal, s/n, Madrid-11.

DECEMBER — NATIONAL

ZARAGOZA, Dec. 14-18: **FORESTAL (National Show of Forestry Machinery, Transport, Drying, Sawmills, Residue Exploitation, Clothing and Auxiliary Equipment)**; Apartado 108, Zaragoza.

FROM THE NATIONAL TOURIST OFFICE OF SPAIN

Re-enactment of Columbus' Voyage Will be Part of 500th Anniversary Celebration in 1992

By FRANK SHIELL

Get ready, America, for a super celebration of your discovery!

1992, only eight years away, will mark the 500th anniversary of the history-changing voyage of Christopher Columbus from Spain to America, and plans are already under way for a myriad of inter-hemispheric festivals.

One event will even be history-making in itself: the re-enactment of the discovery voyage to America. Replicas of Columbus' three ships will be constructed in Spain and sail to America, equipped with 15th century navigation maps, documents and instruments. The Spanish Navy, in collaboration with the State Executive Society for Commemorative Programs of the Fifth Centennial, which is financing the 300 million-peseta (\$2 million) project, has engaged specialized historians and maritime engineers to research and develop the construction plans for the ships.

The reproductions of the three caravels will be as close as possible to exact duplicates of the originals, to the utmost detail, and the final plans are now completed. Although the original plans no longer exist, they were recreated in the late 17th century based on the information in Columbus' own diary and ships' logs that he wrote during his first voyage, as well as on studies of the graphics of engravings and tapestries depicting ships of the period.

The sizes of the three ships are generally agreed upon by historians: La Santa María, 106 tons; La Pinta, 70 tons; and La Niña, 58 tons.

Even the types of wood used will be authentic: Oak

for the framework and pine, walnut and fir for the masts and yards. The felling of the trees will follow historical tradition—it will be done on the day of the last full moon in November, when the tree sap has reached its maximum recession, because at that point the cut wood will have a stronger consistency and longer duration. Then a full year has to go by until the wood dries.

The Spanish Navy will construct the ships, employing ship carpenters of the old school, true artisans of a disappearing profession, a few of whom still exist in Barcelona, Valencia, Galicia and Andalucía.

The route will approximate that of Columbus, and even the officers and crew, recruited by the Navy, will be as authentic as possible. They will be especially trained in 15th century navigation methods, and the Navy is searching out descendants of the crew of the 1492 voyage to be included. Even one of the two descendants of Columbus who are presently officers in the Spanish Navy (an admiral and a lieutenant) might also make the trip.

There will, however, be some variations from the original voyage. Columbus had a crew of ninety, but there will be fewer on this trip to prevent overcrowding. And, fortunately for the crew, the grub will not be authentic. Columbus' crew lived on salted fish, flour, bacon, vegetables, garlic, cheeses, dried fruits, olive oil, and, of course, water and wine. The 1992 crew will be a select fewer — and certainly the cuisine will be improved. □

Half Price Railway Trips for Seniors

Tourists over 65 can buy "La Tarjeta Dorada" (Golden Card) at any office of RENFE, Spain's national railroad system, for 100 pesetas (about 70¢). It will enable them to travel any RENFE route at half price for a period of one year, on trips over 100 km.

The Golden Card is also available to Spanish senior citizens (women over 60, men over 65).

News in Brief . . .

Banesto Celebrates Opening of New York Branch

Banco Español de Crédito ("Banesto") celebrated the opening of its New York Branch with a reception at the University Club on Wednesday, May 2nd. The new branch is located at 630 Fifth Avenue in Rockefeller Center.

Managing the branch is José Peces Perezagua, a Director of the Chamber, who was previously manager of the bank's Representative Office in New York.

ITT Subsidiary to Supply Radar on Fighter Planes Ordered by Spain

Marconi Española, a subsidiary of ITT, has been awarded a \$20 million contract to supply electronic equipment for radar to be installed on the 72 F-18A fighter planes which Spain has ordered from the McDonnell Douglas Corporation. Marconi Española is hoping also to get orders to supply similar equipment for other customers, including the U.S. Navy, according to the Spanish Economic News Service.

Spain Negotiating with Disney for an Andalusian DisneyWorld

A delegation of Spanish officials came to the U.S. in April to negotiate with the Walt Disney organization regarding a DisneyWorld for Spain, a project for which other countries including Britain were also competing. If they are successful it was considered likely that the park would be located in Andalucía, because of its favorable climate and tourist volume. The project would create an estimated 15,000 new direct and 40,000 indirect jobs.

Spanish Government Approves 16 Textile Reconversion Projects

In an effort to make the Spanish textile industry more competitive, the Government has approved the funding of 16 reconversion projects for textile plants. Of a total investment of 1,572 million pesetas (\$10.5 million), 498 million would be invested in designs and other intangible assets. The sixteen plants have a total of 1,281 employees. Government direct investment would amount to 238 million pesetas and the balance would be in the form of loans.

Generous Incentives Stimulate Flow of Foreign Investment to Spain

A survey by the Spanish newspaper *Ya* indicates that foreign investment is flowing into Spain following an initial period of uncertainty regarding the

policies of the Socialist Government, according to the Spanish Economic News Service. Among the lures are generous incentives for foreign investors who set up plants in regions designated as economically backward. Grants and assistance are offered to these investors covering up to half the cost of the new facilities. When existing plants are moved to these areas, grants can cover almost the entire cost of dismantling the plants in their original locations. 1,527 Spanish and foreign companies have already taken advantage of these incentives and have invested a total of about \$800 million.

Iberia Airlines Expands U.S. Service

During the past year, Iberia's traffic from the U.S. has increased significantly, making it the No. 1 carrier of passengers to Spain, and beginning in June there will be even further expansion of Iberia's service and in the number of its passengers to Spain.

Beginning June 1st, the carrier will offer scheduled public charter service from Los Angeles to Madrid. All flights will be non-stop—the only non-stop flights between the West Coast and Spain. Wide-bodied 747's departing every Friday from Los Angeles International Airport at 4:20 p.m. will arrive in Madrid at 12:20 p.m. the following day.

On June 18th, Iberia will begin weekly charter service from Dallas-Fort Worth Airport every Monday, non-stop to Madrid with continuing service to Málaga.

Iberia is very optimistic about the potential in the Southwest and West Coast markets, partly because Spanish history and tradition in these regions are an integral part of the culture in general, making travel to Spain even more interesting and meaningful.

In addition to these new services, several established routes have been reinstated or expanded. Scheduled public charter flights are again in effect from Chicago to Málaga and Madrid, departing every Saturday. And scheduled flights from Boston to Málaga, with continuing service to Madrid, will be resumed, with frequency increased to three times a week.

Effective June 13th, Iberia will offer non-stop service from New York to Málaga on Thursdays, and will begin Sunday non-stops to Santiago de Compostela.

Beginning June 1st, there will be more Miami-Madrid 747 non-stop flights, operating every day except Friday.

Iberia continues to offer daily non-stop service between New York and Madrid, as well as Saturday non-stops between New York and the Canary Islands.

Business Opportunities

Spanish Products Offered

Food products; trees, flowers and plants; insecticides; construction material; etc.:

Peimex Commerce-Comisión
Apartado de Correos, 117
Canet de Mar (Barcelona)

Windows and doors:

Puertas Leal
Carretera de Valencia, s/n
Betera (Valencia)

Souvenirs, gift articles:

Creaciones Jumi, S.A.
Avda. de Gerona, 31 (interior)
Olot (Gerona)

Postcards, posters, engravings; reproductions of paintings; etc.:

Prodeco
Concordia, 54
Barcelona-4

Footwear for summer wear:

Mr. Antonio Martinez del Vas
c/ San Agustín, 2
Alhama de Murcia (Murcia)

Champagne cork stoppers; decorative cork tiles:

Cassá Export
Apartado de Correos, 60
Cassá de la Selva (Gerona)

Handmade articles, 100% virgin wool; leather items:

Guillermo Fernández Oriol
Apartado de Correos, 284
St. Eulalia del Rio (Ibiza)

Safety boxes, "Black-Vault":

Japex, S.A.
Balmes, 188 - 1º 1ª
Barcelona-6

Citrus fruits, vegetables:

Fruca, S.A.
Apartado de Correos, 40
Beniajan (Murcia)

Knitted fabrics, very high quality:

Seguies
Apartado de Correos, 24
Barcelona

Textiles: Artists' canvases:

Arteiba, S.A.
Riera, 1
Vallirana (Barcelona)

Sparkling Wines:

Bernard Puges, S.A.
Gran Vía Carlos III, 58-60,
entlo. 2º
Barcelona-28

Footwear:

Grupo Internacional del
Calzado
Carretera de Alicante, 92
Murcia-7

Textile machinery, yarns:

Talleres Eslopi, S.A.
Bernat Metge, 53
Sabadell (Barcelona)

Footwear:

Vaex, S.A.
Cronista Carreres, 9 - 6º C
Valencia

Hydraulic stabilizers for trailers and caravans:

Muste, S.A.
c/ Toledo, 8
Amposta (Tarragona)

Garbage bags; supermarket carrier bags; industrial sacks:

Plásticos Miñano
Pol. Industrial La Setteta
(Torre Montijo)
Apartado 256
Molina de Segura (Murcia)

Canned Vegetables:

Mr. Enrique Serrano
Marqués de los Velez,
13-entlo.
Murcia-8

Smokers' pipes:

J. Niubó
Fonda Camprodón, 20
Vic (Barcelona)

Micronized granulated dolomite for industrial use:

Shiprovision Co., S.A.
Calle Córdoba, 11 y Trinidad
Grund, 21
Málaga

Frozen strawberries and peppers:

Inter-Agraria, S.A.
Marqués de Campo, 39
Denia (Alicante)

Ornaments for decoration (gifts for advertising and ceramics):

Ramón Diezmazo
Maestro Serrano, 15
Manises (Valencia)

Toys and sporting goods:

All-Inter, Ltd.
c/ Pelayo, 62-4
Barcelona

Olive wood products (music and jewelry boxes):

Objetos de Olivo Juan Gomila
c/ Menorca, 23 y 25
Manacor (Mallorca)

Metal products for the electronic industry, including computers:

Industrial Mam, S.A.
Apartado de Correos, 83
Chirivela (Valencia)

Soapy metal dishcloth;

steel sponges:
Nanas España, S.A.
Apartado de Correos, 19
Alcobendas (Madrid)

Girls' clothing:

Creaciones Torres
Apartado de Correos 82
Alicante

Children's clothing;

professional clothing:
M. Seabra Pereira
Apartado de Correos, 12 040
Sevilla

Handmade bedspreads and rugs of 100% virgin wool:

José Manuel Periago, S.L.
Apartado de Correos 27
Lorca (Murcia)

Optical products:

Creaciones Blanch
Pl-10, bis
Barcelona-14

Fans:

José A. Giner Nave, S.L.
San Sebastián, 13
Godella (Valencia)

Olive wood products:

Signes-Grimalt, S.A.
Ctra. Murcia-Valencia
Km 164.5
Gata de Gorgos (Alicante)

Frozen vegetables and other food products in general:

Beltan Gomez Alba
c/ Jacinto Benavente, 18
Barcelona-17

Ceramics:

Comercial Baes
c/ Benicarlo
Campadó-Tortosa (Tarragona)

Pottery; ceramics (rustic and hand painted); garden statuary and elements; fire extinguishers:

Amaber Import Export
c/ Acislao Diaz, 11-7º E
Murcia

Chocolates and candies:

Chocolates Trapa, S.A.
Venta de Baños (Palencia)

Ladies', men's and children's clothing:

Confecciones Goa, S.A.
Pol. Industrial de Sabón,
parcela 79-B
Sabón Arteixa (La Coruña)

Haute couture; children's clothing:

Conince, S.L.
c/ Don Victor, 15
Tomelloso (Ciudad Real)

Aerials for color television; closed circuit TV:

Reko, S.A.
c/ Arzobispo Melo, 7
Valencia-5

Car lifts, jacks:

Adaro Transmisiones, S.A.
Poligono Bankunión, 2
Tremañes (Gijón)

Seeks representative for leather footwear:

Francisco de Paulo
c/ Sor Angela de la Cruz, 3
Sevilla-3

Photographic albums:

Manuat, S.A.
Travesera Sta. Eugenia,
3 - 1ª planta
Gerona

Latex gloves; housewares in general:

S.A.E. Jursaal
Apartado de Correos 322
San Sebastián-14

Agricultural machinery:

Saver, S.A.
Apartado de Correos 75
Palencia

Lamps and lamp stands; tables; smokers' articles (all in alabaster):

Alabastros Herna, S.L.
Ctra. de Tudela, s/n
Fitero (Navarra)

Fiberglass and polyester nets for the construction industry:

Marsaro
c/ Via Layetana, 24, entlo. C
Barcelona-3

Leather and suede articles:

D. Alberto Gasol Gimeno
c/ Capitán Arenas, 35-37,
4º 1ª
Barcelona-34

Construction nails (public works, railroad and mining industries):

Laneko, S.A.
c/ Mendikoa, s/n
Huarte Araquil (Navarra)

Fishing rods:

Sociedad Labora,
Manufacturas
Carswell, S.A.
Apartado de Correos 3
Murcia

Cut glass; gift articles and hand knitted clothing:

Mediterranean Industrial Trade
c/ Bilbao, 7
El Masnou (Barcelona)

Plastic urine collecting bags; pediatric urine collectors; plastic pants for incontinents; fibre and rubber seats; corysan tubular corsets:

Corysan, S.A.
c/ Caballero, 78-80
Barcelona-29

Wishes to act as agent for any U.S. firms wanting to buy fruits and vegetables in Spain:

Flavedo
c/ Santo Domingo, 1-Entlo.
Ezda
Murcia-8

Interested in contacting firms wishing to market red coral:

Red Coral, S.A.
c/ Travesera de Gracia,
58 - atico, 4ª
Barcelona-6

Magnetic locks; smelted and ceramic magnets (of ferrite) applicable to furniture and doors in general:

Novi Española, S.A.
Apartado de Correos 219
Zona Industrial de Gamarra
Vitoria

Seeks representative in field of computers and data processing:

Comercial Telgrup
Pi i Margall, 24 Escal. Izda.
Entlo. 1
Barcelona-25

Seeks commercial agent for distribution of 100% virgin wool rugs and bedspreads:

Sucesores de Mosé Manuel
Periago, S.L.
Apartado de Correos, 27
Lorca (Murcia)

Oportunidades Comerciales

Productos españoles solicitados

Artículos de joyería, china, cristalería, regalo; relojes:

Ms. Janet Lemaster
Jan's Gift Shoppe
P.O. Box 1899
Grundy, VA 24614

Calzado para niños:

Mr. Bruce Cohen
La Ray
380 Prospect Avenue, 9K
Hackensack, NJ 07601

Confecciones para niños:

Mr. Raymond Shalom
Allura Imports, Inc.
112 West 34 St., Room 1210
New York, NY 10001

Toallas, alfombras; objetos de china:

Mr. Steven L. Jones
300 East 34 Street
New York, NY 10016

Aceites esenciales, particularmente de menta:

Mr. Alfred Mueller
Flavor Division
Fritzsche Dodge & Olcott Inc.
76 Ninth Avenue
New York, NY 10011

Mantelerías bordadas a mano; encajes y puntillas; alfombras; muebles:

Mrs. Virginia L. Campbell
Argyll House of Linea
68 Maryland Avenue
Annapolis, Maryland 21401

Artículos de joyería y piel; perfumes y cosméticos:

Ms. Felicia Harris
73-19 Kessel St.
Forest Hills, NY 11375

Válvulas de bola, mariposa y vapor:

Mr. Robert E. Gordon
President
Piping Specialties Corp.
84 Wall Street
Farmingdale, NY 11735

Confección de caballero en cuero; calzado para caballero (moccasins):

Mr. Frank Tack
17 West 54 Street
New York, NY 10019

Sábanas; toallas; mantas; artículos de rizo en general; maquinaria para la industria del plástico (plastic molds):

Mr. Dan Schultz
Alro Trading
48 West 48 Street, Suite 904
New York, NY 10036

Pescados y mariscos frescos y congelados; anguilas:

Mr. Blas de la Uz
1A North Drive
Baldwin Harbour, NY 11510

Azulejos:

Ms. Bernadette Lieberthal
RD 1, Box 92
Poughquag, NY 12570

Artículos de viaje y regalo; estuches de manicura:

Mr. Joseph P. Dobkins
Griffon Cutlery Co.
243 W. Main St.
Springville, NY 14141

Cortinas:

Mr. Tautic I. Freij
P.O. Box 7322
Greenville, NC 27834

Componentes electrónicos:

Mr. John Bombino
J-Mar Electronics
International Inc.
65 Lakeview Avenue
Clifton, NJ 07011

Grafito esférico; acero gris; bronce; fundición de aluminio:

Mr. James C. Lard
Limitorque Corp.
5114 Woodall Road
Lynchburg, VA 24506

Cables aislados (de aluminio y de cobre):

Ms. Michell C. Tschantz
Kelly American Inc.
4 Old Mill Plain Road
Danbury, CT 06810

Vinos:

Mr. Michael Reinhard
750 Virginia Avenue
N. Bellmore, NY 11710

Productos de alimentación en general; máquinas herramientas; textiles:

Mr. George Vranjesevic
Wedco Importers Inc.
23 Hillary Drive
Bayville, NY 11709

Muecas de porcelana:

Ms. Kellie Aamodt
Allen-Arthur, Inc.
9901 Valley View Road
Eden Prairie, Minnesota 55344

Artículos de regalo en cristal y porcelana:

Mr. David Weinstock
121 Wilson St. (11-C)
Brooklyn, NY 11211

Juguetes; productos alimenticios en general:

Mr. A. Wiseman
Lennco Wholesale, Inc.
1709 Washington Boulevard
Easton, PA 18042

Zapatos y hojas para instrumentos de viento:

Mr. Ronald P. Reiners
Product Specialist Internat'l
P.O. Box 2469
Rio Rico, AZ 85621

Vinos:

Mr. D. H. Saar
World Wine Imports Inc.
159 Bliss Road
Longmeadow, MA 01106

Calendarios, revistas, diarios, tarjetas postales, etc.:

Ms. Helen Koblynk
Brook K. International
First Interstate Bank Bldg.
320 Gold S.W., Suite 802
Albuquerque, NJ 87102

Artículos para la equitación:

Mr. Jerry Gongs
National Sales Manager
E. Z. Strider
32915 Aurora Road, Suite 10
Solon, OH 44139

Perlas:

Ms. Donna Schneider
Una Donna
251 East 71 St.
New York, NY 10021

Artículos para vender por correo:

Mr. Henry C. Patton
Barb's World Inc.
2501 Rockefeller Road
Wickliffe, OH 44092

Bases de cobre para lámparas:

The China Closet
49 Wyoming Ave.
Kingstone, PA 18704

Piedras preciosas; antiguedades:

Mr. T. A. Nichols
Nichols Custom Imports
5229 Clausen Avenue
Western Springs, IL 60558

Chaquetas y otros artículos confeccionados en cuero y piel:

Mr. Luciano G. Fantini
Eximal International
38 Midway Drive
Kennedy Twp., PA 15136

Cinturones, bolsas, pañuelos, paraguas, zapatillas, guantes, metales preciosos, bisutería:

Mr. Robert Hesz
390 Cote Vertu 411
St. Laurent, Montreal
Quebec, Canada-H4N 1E3

Jabón, maquetas de barcos, bolsas, carteras y cinturones de piel, gels de baño; joyas de Toledo; espadas; azulejos; cerámica; abanicos; botas; posters; muebles; porcelanas:

Mr. Joseph V. Lauricella
Mediterr Imports
508 State Street
Annapolis, MD 21403

Botas de vino:

Mr. Herb Burdett
Burdett Associates
31 Central Avenue
Midland Park, NJ 07432

Anchoas; tomates en conserva; puré de tomate; aceitunas:

Greco-Roman Importers
1400 S.W. 1 Court
Pompano Beach, FL 33069

Libros de literatura:

Mr. Michael Notaro
636 W. 174 St., 8B
New York, N.Y. 10033

Libros infantiles; artículos de regalo; perlas; adamasados de Granada; bisutería y artículos de cuero y piel:

Ms. Maria C. Esteban de Sánchez
Esteban C. Sánchez Assoc.
348 South Orange Ave. West
South Orange, NJ 07079

Desperdicios de piel:

Mr. Louis Sonenberg,
Controller
Wassertein Bros. Inc.
115 West 17 St.
New York, N.Y. 10011

Máquinas de oficina:

Mr. Carlos Bernal
Cosmopolitan Personnel
Systems, Inc.
308 Madison Avenue
New York, NY 10017

Especias:

Mr. Raoul Sergile
823 St. Johns Place
Brooklyn, NY 11216

Aceitunas:

Mr. Marvin Martin Jr.
Marketing Manager
BEI Inc.
1375 Kalamazoo St.
South Haven, MI 49090

Calzado; artículos de perfumería y piel:

Ms. Nancy Jones
P.O. Box 499
Denmark, S.C. 29042

Artículos de piel; confección de caballero, señora y niños:

Lucky Find Trading Co.
2064 McDonald Avenue
(corner of Avenue S)
Brooklyn, NY 11223

Vino de Rioja:

Adesso Wines
388 Bloomfield Avenue
Bloomfield, NJ 07003

Herramientas; maquinaria para la fabricación de casquillos para escopetas:

Mr. Harold P. Stern
President
Rector Insulations
P.O. Box 427
Mount Vernon, NY 10551

Termómetros:

Mr. Jorge Morera
806 West End Avenue
New York, N.Y. 10025

Confección de señora y caballero; artículos de piel:

Mr. Brian Lee
18025 North 45 Avenue
Glendale, Arizona 85308

Vegetales de las Islas Canarias:

Ms. Agnes M. Samne
Sammex, Ltd.
7910 35th Avenue
Jackson Heights, NY 11372

Spain's Exports to the U.S., 1983 vs. 1982

In this tabulation, using statistics from the U.S. Department of Commerce, Column 1 gives Spain's exports to the U.S. from January 1 through December 31, 1983 in thousands of dollars. Column 2 gives the percentage of variation from the same period of 1982. Column 3 indicates the percentage of total exports represented by the group.

	1	2	3		1	2	3
FOOD PRODUCTS	178,205	-11.1	11.60				
1. Fish and seafood, except preserved	8,319	-38.9		38. Nonferrous metals	23,682	+102.7	
2. Fish and seafood, preserved	12,259	+4.7		39. Wire, without electrical insulation	14,877	-9.5	
3. Marmalades and preserved fruits	17,019	+35.4		40. Screws, nails, rivets etc. of iron, steel or copper	9,501	-16.3	
4. Vegetables, preserved or prepared, including olives	105,696	-12.7		41. Hand tools	17,039	+64.0	
5. Sweets with a sugar base which do not contain cocoa	11,087	-2.8		42. Household utensils of common metals	10,194	+27.1	
6. Paprika	6,679	+21.3		43. Metal manufactures, unspecified	13,356	+20.8	
7. Food preparations, unspecified	2,756	-5.7		MACHINERY AND TRANSPORTATION EQUIPMENT	205,519	-18.0	13.38
BEVERAGES AND TOBACCO	70,399	+6.1	4.58	44. Generators, non-electric, and parts	4,056	-42.0	
8. Table wines and Sherry	54,942	+14.6		45. Agricultural machinery and parts	2,641	-54.5	
9. Sangria	7,001	-24.4		46. Office machinery and parts	32,919	-52.1	
10. Brandies and similar	7,658	-0.8		47. Metalworking machinery	13,032	-43.2	
11. Processed tobacco	141	-75.6		48. Textile and leather machinery	7,010	+174.6	
12. Unprocessed tobacco, residues	370	-46.7		49. Industrial machinery	4,585	-0.1	
RAW MATERIALS, INEDIBLE EXCEPT PETROLEUM AND OTHER				50. Machinery and apparatus, unspecified, and parts	19,594	-1.0	
VEGETABLE PRODUCTS	26,609	-23.8	1.73	51. Electrical generators, commutators, and parts	6,103	+6.1	
13. Fluorspar	2,614	-43.8		52. Household electric appliances and parts	5,817	+24.5	
14. Raw materials of animal origin	1,026	-31.5		53. Transportation equipment:	83,227	-7.8	
15. Gums, resins and natural lacquers	5,188	+11.0		53a. Parts & accessories for tractors, vehicles & motors	52,808	-7.9	
16. Flowers, bulbs, foliage etc. for decoration	682	+23.6		53b. Motorcycles and parts	387	-40.0	
17. Gypsum, plastic, chalk etc.	6,895	-53.1		53c. Aircraft	13,004	+21.3	
18. Other crude vegetable materials	3,588	-20.2		53d. Supplies for aircraft and ships, unspecified	9,470	+8.5	
PETROLEUM PRODUCTS AND LUBRICANTS	43,652	-11.0	2.84	54. Electrical machinery and apparatus, unspecified	19,064	+224.3	
19. Heavy petroleum	18,257	-39.7		MANUFACTURED CONSUMER PRODUCTS	413,976	+19.5	26.95
20. Lubricating oils and greases, hydrocarbons	20,011	+6.7		55. Lamps and parts	6,085	+19.3	
OILS AND FATS, ANIMAL AND VEGETABLE	24,394	64.6	1.59	56. Furniture	11,580	-2.9	
21. Olive oil	13,349	-8.2		57. Luggage and handbags	8,391	+22.4	
CHEMICAL PRODUCTS	95,432	+33.7	6.21	58. Textile manufactures	1,383	+13.9	
22. Organic chemical products	40,217	+102.6		59. Leather manufactures & accessories	4,397	+4.1	
23. Inorganic chemical products	24,596	-3.3		60. Knitwear mfrs. and accessories	4,740	+36.5	
24. Essential oils and perfume materials	12,743	+35.9		61. Footwear	256,110	+9.8	
25. Soaps and detergents	1,917	-6.9		62. Printed matter	19,661	-5.2	
MANUFACTURES AND SEMI-MANUFACTURES	451,801	+3.2	29.4	63. Toys and sporting goods	13,075	+29.5	
26. Hides, leathers & their manufactures	12,708	-14.8		64. Arms and parts, except revolvers and pistols	3,620	-1.1	
27. Tires	44,660	+67.5		65. Objects of art and antiques	31,270	+103.5	
28. Manufactures of wood and cork	5,110	+3.6		66. Jewelry and costume jewelry	15,443	+56.1	
29. Articles of paper and cardboard	7,557	+9.3		67. Other manufactures, unspecified	3,130	-20.5	
30. Thread and yarn	5,151	+28.4		OTHER PRODUCTS, UNCLASSIFIED	26,211	-27.4	1.75
31. Bedclothes, table linen, towels etc.	6,987	+174.6		68. Special transactions, unclassified	22,137	-6.3	
32. Woolen fabrics	860	-26.3		69. Arms of war, including revolvers, pistols and ammunition	2,358	-62.0	
33. Lime, cement and other construction materials, except tiles	30,382	+157.4		70. Estimated value of imports in lots valued at less than \$251	1,702	+8.8	
34. Tiles	14,566	+48.7		TOTAL EXPORTS TO U.S., 1983	1,536,196	+1.9	
35. Articles of crystal and glass	6,517	+23.9					
36. Pottery articles	13,186	-20.1					
37. Iron and steel in bars, sheets etc.	196,141	-22.4					

Let us solve your problems

Banco de Vizcaya speaks the language of your business.

INTERNATIONAL BANKING DIVISION

Paseo de la Castellana 110 - Madrid-6
Tel.: 411 2062 - Telex 22571-42382
Swift: VIZCESMM

INTERNATIONAL BRANCH NETWORK

New York Branch 400 Park Avenue - New York 10022
Tel.: (212) 826-1540 - Telex: 66199
Swift: VIZC US 33

San Francisco Agency 650 California Street
San Francisco, California 94108
Tel.: (415) 392-2530 - Telex: 67534

Miami Agency 2100 Ponce de Leon Boulevard
Miami, Florida 33134
Tel.: (305) 358-9882 - Telex: 441540

Nassau Branch c/o Roywest Banking Corp. Ltd.
P.O. Box 4889 - BAHAMAS

London Branch 58-60 Moorgate
London EC2R 6BN
Tel.: 1-920-0121 - Telex: 893461/2

Paris Branch 15, Avenue Matignon 75008 - Paris
Tel.: (1) 359 55 09 - Telex: 64 14 23/5

Amsterdam Branch Herengracht 479
1001 JC Amsterdam
Tel.: (020) 26 30 33
Telex: 13582 - 16288

Bahrain O.B.U. Kanoo Tower (Phase III)
4th floor - Tujard Rd
Manama - State of Bahrain
Tels.: 25 32 61 - 25 33 40
Telex: 9060 Bancay

AFFILIATE BANKS IN THE UNITED STATES

Banco Comercial de Mayagüez
Avda. Ponce de León - Esquina del Parque
Sanjurjo - Puerto Rico 00936
Tel.: (809) 724-3717 - Telex: 3654295

Banquest National Bank of Albuquerque
1418 Carlisle N.E.
Albuquerque, New Mexico 87190
Tel.: (505) 265-5511

First National Bank of Santa Fe
On the Plaza
Santa Fe, New Mexico 87501
Tel.: (505) 988-7111

First State Bank of Taos
116-120 W. Plaza
Taos, New Mexico 87571
Tel.: (505) 758-4242

REPRESENTATIVE OFFICES

Argentina Avda. Corrientes 311
Oficina 101
Buenos Aires 1043
Tels. (541) 361 20 65 - 361 21 15
Telex: 17739

Brazil Rua do Carmo 11
Andar 19
Rio de Janeiro - RJ
Tels. (5521) Area Code 2427076
2428606
Telex: 2132591

Chile Paseo de Ahumada 254-3
Oficina 31
Santiago de Chile
Tel. (562) Area Code 726641
Telex: 40329 Baviz

Mexico Avda. Juárez 4
Mexico 1 D F
Tel. (525) 585 00 30
Telex: 1777460

Venezuela Avda. Francisco Miranda
Edificio Torre Europa
Oficinas 7 y 8 - Caracas
Tels. (582) 33 43 53 - 33 25 08
Telex: 24532

Germany Friedensstrasse 11
6000 Frankfurt/Main 1
Tel. (611) 23 32 91
Telex: 413215

Japan Yurakuchō Denki Bldg. 652
7-1-1 Chome - Yurakuchō
Chiyodo-ku
Tokyo 100
Tel. (03) 287-0791
Telex: J 29472

Hong-Kong 2114 Connaught Center
Central Hong-Kong
Tel. 5 - 21 63 49
Telex: 62898

Italy Via Alberico Albricci 9
1° Interno D. Scala A
Milan 20122
Tel. 875 525 - 867 661



Banco de Vizcaya

Gran Via, 1 - Bilbao - Spain. Tel: (94) 416 64 00 Telex: 32040

Grand Class



How to relax as you fly.

This new symbol stands for the Grand Class of Iberia, International Airlines of Spain.

Everything in Grand Class is designed so that you will discover the ultimate pleasure of flying.

You'll enjoy superb service at all times. You will choose from gourmet menus and vintage wines, served in porcelain and crystal. You will be welcomed with a little gift and, at some airports, cared for in VIP lounges.

In Grand Class you ease into Iberia's new sleeper-seat, so spacious and comfortable that when you recline, it feels like a bed. So you fly in comfort and arrive totally relaxed.

For the ultimate in comfort, service and relaxation, fly Iberia's Grand Class.

IBERIA 
INTERNATIONAL AIRLINES OF SPAIN

The Spanish challenge.

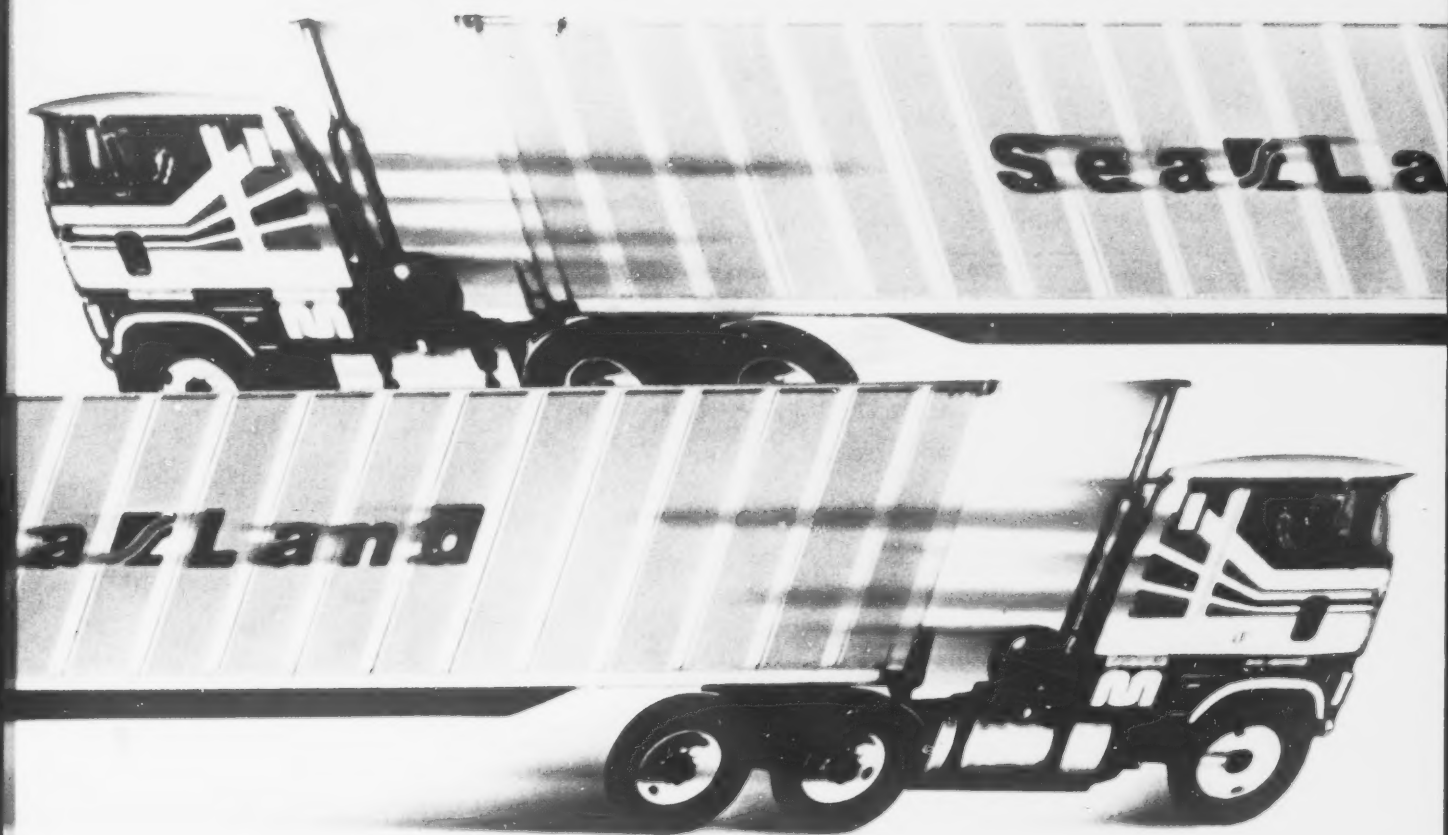


Spain

JUNE-JULY-AUGUST, 1984

No. 134

Sea-Land. Fast in, Fast out.



When your drivers or truckers get tied up at a congested terminal, it can cost you time and money.

Here's how you can get around those expensive tie-ups: Ship via Sea-Land.*

Nearly all Sea-Land terminals are exclusive—used for Sea-Land customers only. That's why you get in and out fast.

And the Sea-Land people handling your cargo are experienced professionals who help you get in and out even faster.

If you don't like being kept waiting, ship via Sea-Land. Call your Sea-Land representative today.

Sea-Land

What we did for shipping, we're doing for service.

President

JOSEPH SANCHEZ
Bank of America

First Vice President

DAVID ASKREN
Chemical Bank

Second Vice President

JOSE LUIS SAN PIO
J. & A. Garrigues

Treasurer

WILLIAM BURNS
Costa Line Cargo Services, Inc.

Corporation Secretary

MICHAEL GREENBERG
Graubard Moskowitz McGoldrick
Dannett and Horowitz

Honorary President

GABRIEL MAÑUECO
Ambassador of Spain, Washington, D.C.

Honorary Chairman

JOHN DAVIS LODGE
Former U.S. Ambassador to Spain

Honorary Vice President

FERNANDO R.-PORRERO
Consul General of Spain in New York

Honorary Director

RAFAEL AGUILAR
Commercial Counsellor of Spain, New York

Executive Director

MARIANO BAGUENA

Directors:

FERNANDO P. ALEU
Puig of Barcelona

JOSE AMEIJIDE
José Ameijide, Inc.

FREDERICK ARCH
Spanish Book Corporation of America

HAROLD BARG
Schenley Affiliated Brands Corp.

LUIS BENITEZ DE LUGO
Banco de Santander

FRANCIS BESSENEY
J. Henry Schroder Bank & Trust Co.

S. ROBERT BREITBARTH
General Cable International, Inc.

JOSEPH A. CARAGOL
Joseph Caragol, Inc.

FREDERICK W. CHASE
Chase Sales Company

EDWARD H. CICHURSKI
Price Waterhouse & Co.

JOHN E. CODINA
John E. Codina & Co.

ALFONSO GONZALEZ ESCALERA
Compañía Transatlántica Española

ANTONIO T. ESCAMEZ
Banco Central of New York

MICHAEL GILFOND
Manufacturers Hanover Trust Co.

JUAN LUIS GOJJON
Lois Sportswear USA

EDWARD G. HAYEK
Trans World Airlines Inc.

ENRIQUE LOEWE
Loewe

PABLO MEDINA
Myrurgia Perfumes

JOHN A. OGILVIE
Edelman Public Relations

PEDRO ORTIZ VALERO
Interchange Commercial Corp.

JOSE PECES PEREZAGUA
Banco Español de Crédito

JOHN PHILBIN
Irving Trust Company

VICENTE PUIG JR.
Vicente Puig & Co.

RAMON DE SARRIERA
Banco de Bilbao

FREDERICK E. TETZELI
Morgan Guaranty Trust Co. of New York

Honorary Delegates in Spain

JESUS DE AZCARRETA
Calle Fuentemilanos, N° 2
Madrid-35
Tel.: 216-39-78

JOSE MARIA CUCURELLA
Capsulas Metálicas, S.A.
Valencia, 101
Barcelona-11

Spain-U.S. Trade Bulletin

Spain-U.S. Chamber of Commerce, Inc. Cámara de Comercio Española en los Estados Unidos

500 FIFTH AVENUE, NEW YORK, N.Y. 10110 • (212) 354-7848
TELEX 960915 SPAIN US NYK • CABLE ADDRESS CAMACOE5

JUNE-JULY-AUGUST, 1984

No. 134

NEWS AND FEATURES:

- 3 **Joseph Sánchez elected President of the Chamber;** other Officers and Directors elected.
- 4 **Annual Report of the President.** Outgoing President Ricardo Jove's report to the Annual Meeting on the state of Spain-U.S. trade and of the Chamber
- 9 **Remarks of Ambassador Fernando R.-Porrero at the Annual Meeting.**
- 12 **"Spain's Industrial Policy: Betting on the Future,"** by Carlos Solchaga, Minister of Industry and Energy of Spain.
- 20 **The Chamber Celebrates its 25th Anniversary and Salutes San Sadurni de Noya —** Scenes from the annual Dinner-Dance.
- 22 **"El comercio entre España y los Estados Unidos en 1983,"** by Commercial Counselor Antonio Llanos.
- 28 **"How to Visit a Dolmen,"** by Charles Ocheltree, National Tourist Office of Spain.
- 30 **"Current Legislation in Spain,"** prepared by J. & A. Garrigues, New York Office.
- 35 **Delegation from New York Advises Spanish Exporters on the U.S. Market.**

DEPARTMENTS:

- 36. News in Brief
- 38. Spanish Products Offered
- 39. Productos españoles solicitados
- 40. Spain's Exports to the U.S., Jan.-March 1984 vs. 1983

COVER: The entrance to the Menga dolmen in Antequera, which dates from 2500 B.C. See story on page 28.

Executive Editor
Mariano Baguena

Editor
David O. Thomas

Published bi-monthly, copyright 1984, as a service to its members, by the Spain-U.S. Chamber of Commerce, Inc., a non-profit organization, 500 Fifth Avenue, New York, N.Y. 10110. Telephone (212) 354-7848. Subscription rates: \$25.00 per year, U.S. and Canada; 2500 pesetas per year, Spain. Single copies \$5.00 each. Printed in the U.S.A.



BANCO CENTRAL

su banco amigo

NEW YORK BRANCH

245 Park Avenue
New York, N.Y. 10167
Tel. (212) 557-8100

BANCO CENTRAL OF NEW YORK

Full banking services
Main Office
50 Broadway
New York, N.Y. 10004
Tel. (212) 785-0700
and five other locations in the city

CALIFORNIA AGENCY

505 Sansome Street
San Francisco, California 94111

MIAMI AGENCY

800 Brickwell Avenue
Miami, Florida 33131

FULLY OWNED SUBSIDIARY IN PUERTO RICO

Banco Central Corp.
Main Office: Ave. Ponce de León 221
Hato Rey, Puerto Rico 00917
Tel. (809) 753-2500
(Twelve Branches on the Island)

HEAD OFFICE

Alcalá 49 • Madrid, Spain



Joseph Sanchez, President



David Askren
First Vice President



José Luis San Pio
Second Vice President



William Burns
Treasurer



Michael Greenberg
Corporation Secretary

Joseph Sanchez Elected President of Chamber



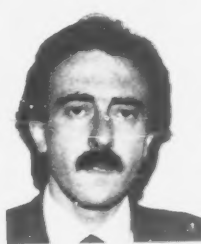
Dr. Fernando P. Aleu



Frederick W. Chase



Edward H. Cichurski



Antonio T. Escamez



Michael Giffond



Juan Luis Goujón



Enrique Loewe



Pablo Medina

Joseph Sánchez, Vice President and Marketing Manager, Bank of America, was unanimously elected President of the Chamber at a meeting of the Board of Directors following the Annual Meeting, held on June 14th in the Cotillion Room of the Pierre Hotel. Mr. Sánchez had previously served as a Director of the Chamber.

At the same meeting, David Askren, Vice President, Chemical Bank, was elected First Vice President. Mr. Askren had previously served as Second Vice President. José Luis San Pio, of the New York office of the Spanish law firm of J. & A. Garrigues, who had previously been Corporation Secretary, was chosen as Second Vice President; William Burns, Vice President, Costa Line Cargo Services, Inc., was named Treasurer; and Michael H. Greenberg, a partner in the law firm of Graubard Moskowitz McGoldrick Dannett and Horowitz, was elected Corporation Secretary.

At the Annual General Luncheon Meeting, in addition to Mr. Sánchez and Mr. Greenberg, the members of the Chamber elected the following new Directors, for terms of three years:

Dr. Fernando P. Aleu, President, Puig of Barcelona.

Frederick W. Chase, President, Chase Sales Company.

Edward H. Cichurski, Price Waterhouse & Company.

Antonio T. Escamez, President, Banco Central of New York.

Michael Giffond, Senior Vice President and General Manager, Manufacturers Hanover Trust Company.

Juan Luis Goujón, Vice President of Finance, Lois Sportswear USA.

Enrique Loewe, President of Loewe.

Pablo Medina, Chairman of the Board, Myrurgia Perfumes.

Mariano Baguena Dies in Spain

After this issue had gone to press, the Chamber received the sad news of the death on July 21st of its Executive Director, Mariano Baguena, at the age of 53. Mr. Baguena suffered a cerebral hemorrhage during a vacation visit to the home of his mother in Alicante.

Intensely devoted to Spain, its history and culture, Mariano Baguena joined the Chamber shortly after its founding in 1959, and his dedication was a key factor in its growth and success.

A complete obituary will be published in our next issue.

By RICARDO JOVE

Annual Report of the President

"Youth and a professional way are but one manifestation of the tremendous changes that are taking place in Spain, changes which in the long term will open new opportunities," outgoing Chamber President Ricardo Jove told the Annual General Luncheon Meeting at the Pierre Hotel on June 14th, in a generally optimistic assessment of the situation of Spain-U.S. trade and the Chamber.

ONCE AGAIN it is my duty and privilege as President of the Spain-U.S. Chamber of Commerce to present my annual report on the state of the Chamber and of Spain-United States trade.

I would have liked to make this presentation summarily short, so that you would remember my term as president kindly. However, there are a few things that tradition demands I tell you, and a few more I would like to tell you.

In the past twelve months Spain has continued to strive for recovery from the slowdown that has affected most of the world, while at the same time absorbing the effects of a radical change in administration. The present administration in Spain has been in office now for about a year and a half and, to the relief of most, the Socialist Government has not pursued the welfare state-ism that we generally associate with the socialist label. It has made a strong effort to decrease the rate of inflation by both monetary policy and wage restraint; and in fact it has succeeded in cutting the 1983 inflation rate by a few percentage points from the 1982 rate.

Throughout this period, foreign investment in Spain has continued to be strong, and figures would indicate that foreign investors have confidence in the stability of Spain.

There is plenty of bad news, of course, although most of it is old news and predates the current administration.

To the credit of the Government of Spain, they appear to be fully aware of the problems and are trying to shape industrial policy, as well as the tax system and other incentives, to bring Spanish industry up to a more competitive level in the international market.

In the midst of this turmoil of change, I think that our Chamber has performed splendidly in its job of providing you with a macro-view of what is happening in Spain. We have effectively complemented the unique first-hand knowledge each of you gains every day through your direct business and dealings with Spain, by providing a forum for the members of the new administration to tell you what they hope to do

and how they are going about it.

This season, our guest speakers have included the Minister of Transportation, Tourism and Communications, and, just a few days ago, the Minister of Energy and Industry, Mr. Solchaga. In February, the Director General of Foreign Transactions spoke on foreign investment in Spain.

This list of speakers, added to the visit last season by the President of the Government, H.E. Felipe Gonzalez, and the one by the Minister of Economy, Mr. Boyer, has given us full exposure to the most prominent Spanish officials dealing with economic policy.

And while they were telling you what they hope to do, we invited Mr. Segurado, President of the Confederación de Empresarios de Madrid, to talk to you about the gaps between intentions and performance.

To complete the overall view, we provided a sample of another reality in today's political life in Spain by inviting the President of the Generalitat de Catalunya, who spoke on the political and economic significance of that region.

And the luncheon in honor of the Honorable Thomas O. Enders, Ambassador of the United States to Spain, gave us an authoritative rendering of what official perceptions are in this country.

I think this exposure is very important because it helps us to realize the changes that have taken place in Spain in the last few years.

Even assuming that someone got nothing else from all the talks, there was a feature that could not have escaped the most distracted observer: each minister was younger.

I mean this remark to be very serious. Youth and a professional way are but one manifestation of the tremendous changes that are taking place in Spain, changes which in the long term will open new opportunities, will shape our investments, and will influence our trade.

In terms of exports from Spain, there is renewed interest in the United States market by Spanish exporters. I concede that it may be because it is



Outgoing President Ricardo Jove was among the Directors receiving Certificates of Recognition for their service to the Chamber, presented by Commercial Counselor Rafael Aguilar.



Mr. Jove welcomes Ambassador Fernando R. Porrero to the podium at the Annual General Luncheon Meeting on June 14th.

more difficult to sell elsewhere because of the slow-down in Spain's domestic market. But this set of circumstances, in forcing Spain's producers and exporters to overcome their reservations about our market—in forcing them to adapt to our consumers' demands—are helping to establish a new export base that can only help Spain's future position in the U.S. market.

And this is occurring at a time when, in the process of change I mentioned before, exporters are receiving more help and more incentives from the administration. The Secretary of Commerce of Spain and INFE have established many new programs to promote exports. It is too early to say whether these programs are going to work, but they are a good first step in the right direction.

I am particularly pleased by the recent establishment in New York of "Wines of Spain," an office dedicated to the promotion of Spanish wines in the United States, under the leadership of Mr. Aguilar's office.

This is an effort that was sorely missed for many years and I believe that the Chamber can properly claim here that we pushed and pleaded for it all along.

We pushed because trade between our two countries is one of the Chamber's major concerns, and exports from Spain to the United States, in general, have never performed up to their potential.

We know all the arguments why: Spanish industry is fragmented into companies that are too small to operate a peak efficiency and are under capitalized; their productivity is low; they lack the expertise in marketing to export to sophisticated markets like that of the United States.

But do not let the power of this negative thinking discourage you, because some Spanish companies have found the formula, and some of them are represented here today. You know their names—Puig of Barcelona, Lladró, Loewe, Freixenet, Lois, Majorica, Iberia Airlines of Spain, Codorníu—they are companies which have managed to invest in modern equipment, which have exceptional products produced with great care and good quality control, and which have learned how to market their products throughout the entire world.

My message is that the potential is there but requires the Spanish exporters to work at it. And figures would indicate that some progress is being made. Spain's exports to the United States in 1983 showed an increase in dollar value of 7.3% over 1982. And for the first two months of 1984, Spain's exports to the U.S. (again in terms of dollars) are up 80% over the same period last year.

THE STATE OF THE CHAMBER

I should tell you about the Chamber. In my annual report last year at this time, I concentrated on the economy of the Chamber itself, and everything I said at that time still applies. We, in common with every other similar organization, suffer from the effects of inflation, and from the recession that we hope is only a memory at this point.

In regard to our operating budget, our Vice President and Chairman of the Finance Committee, Mr. David Askren, has done a commendable job in sorting out our options. I will only add that the new Board will have to give top priority to this matter.

Our 25th season has been a busy one. The Chamber

has continued to attend to the thousands of inquiries we received during the year, to validate certificates of origin, and to perform our usual functions. It has not always been done to everyone's approval and the way they would have liked to see it done, and for this I apologize to anyone who may have suffered from it.

Unfortunately, our Executive Director, whom I am glad to see here today fully recovered, suffered from a long and serious illness, and we were many times deprived of his expert guidance and devotion to the Chamber. I would like to thank today every member of the Chamber staff for the excellent and dedicated way in which they performed under what could only be described as precarious circumstances.

There is no doubt that as Spain and the United States change, the Chamber must change and improve in many ways. You have elected today an excellent slate of Directors and I leave to the new Board this ever-unfinished project. I would like them to approach it with the knowledge that, in spite of budget problems and the need for improvement, the state of our Chamber is good—I would say excellent, in fact. I would like to list some of our assets.

I have already told you about some of our guests this past season. I would like especially to mention the welcoming luncheon offered on October 14th in honor of H.E. Ambassador Fernando R. Porrero, the then newly appointed Consul General of Spain in New

York, and by now a friend of our Chamber.

Another very special event was the annual dinner-dance at the Pierre, when we celebrated the Silver Anniversary of the founding of the Chamber and honored the region of San Sadurni de Noya and its sparkling wines. I had insisted on it because of my belief that we should single out and give credit to those who by their efforts open new markets for exports from Spain. Spain's sparkling wines have

"The Secretary of Commerce of Spain and INFE have established many new programs to promote exports. It is too early to say whether they are going to work, but they are a good first step in the right direction."

achieved a spectacular increase in the U.S. market, from one million dollars in 1979 to 20 million dollars in 1983.

The event was a success, and full credit must be given to Mr. Peces Perezagua for his efforts as chairman of the organizing committee.

The quality of our membership continues to be our most important asset. We are especially fortunate in having many active members who are ready to do what they can to help the Chamber, and the members of the Board are particularly representative of that group. I want to thank them, as well as all of you, for your constant support.

The Chamber has also continued to make many other positive contributions in all fields of United States-Spain relations. Just to mention one, several members of your Chamber travelled to Spain, accompanied by the Commercial Counselor, Mr. Rafael Aguilar, for several seminars held in various cities under the sponsorship of INFE. I was part of the mission, and we talked to Spanish exporters in San Sebastián, Barcelona, Valencia and Madrid on how to increase sales to the U.S. market. The seminars in Barcelona were under the theme "Objetivo USA." I should also say that I had occasion in the past to talk to Ambassador Enders about the Chamber's concern for increased exports from Spain to the United States, and I am happy to report that shortly after our visit to Barcelona the Chamber of Commerce there organized "Objetivo II," with the cooperation of the American Embassy in Spain, and one of the presentations was devoted to the subject of how to increase exports to the U.S.A.

The advice and counsel of the Spanish officials in the United States has also been invaluable, and we



Rafael Aguilar (right) presents a Certificate of Recognition to Felipe Propper de Callejón, an outgoing Director and former President of the Chamber.

Banco de Santander Group



More than 170 offices overseas

The Banco de Santander is the Spanish company with the largest number of offices overseas.

The Banco de Santander Group has more than 1,000 offices

in Spain, as well as a foreign network of more than 170 offices throughout 22 countries in Europe, North America, Central America and South America.

BS

GRUPO BANCO DE SANTANDER

Founded in 1857

**The largest Spanish overseas
Banking network**

ANNUAL REPORT OF THE PRESIDENT

are all grateful for it. Our thanks and gratitude go to our Ambassador Gabriel Mañeco, to Consul General Ambassador Fernando R. Porrero, to Commercial Counselors Rafael Aguilar and his colleague Antonio Llanos, and to Francisco Girón Tena, Director of the National Tourist Office of Spain.

In closing this, the 25th general meeting of our Chamber, my term of office expires. I could never have served the Chamber in this position without the unconditional and friendly support I have received from all of you, and I wish to thank you all most sincerely. Thank you and God bless you all.



First Vice President Andrew d'Alessandro reads the slate of Directors proposed by the Nominating Committee.

The Treasurer's Report

Presented at the Annual General Luncheon Meeting by outgoing Chamber Treasurer Luis Bonel

SPAIN-U.S. CHAMBER OF COMMERCE, INC. BALANCE SHEET AS AT DECEMBER 31, 1983

ASSETS

Cash		
United States		
Checking account	\$20,959.17	
Money Market	14,860.56	
Office - petty cash fund	100.00	
Spanish bank (Note 1)	1,490.00	\$37,409.73
Accounts Receivable	4,863.81	
Refundable deposit	35.00	
Furniture and Fixtures	\$21,229.02	
Less Reserve for depreciation	16,801.76	4,427.26
Total Assets		\$46,735.80

LIABILITIES AND FUND BALANCE

Liabilities	
Accounts payable	\$21,644.96
Operating Fund Balance	25,090.82
Total Liabilities and Operating Fund Balance	\$46,735.80

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1983

- NOTE 1: Cash on deposit in the Spanish Bank was converted at the Exchange Rate of 157.55
- NOTE 2: Dues from associate members located in Spain are remitted directly to the Spanish Bank in which an account is maintained by the organization

SPAIN-U.S. CHAMBER OF COMMERCE, INC. STATEMENT OF OPERATIONS AND FUND BALANCE FOR THE CALENDAR YEAR ENDED DECEMBER 31, 1983

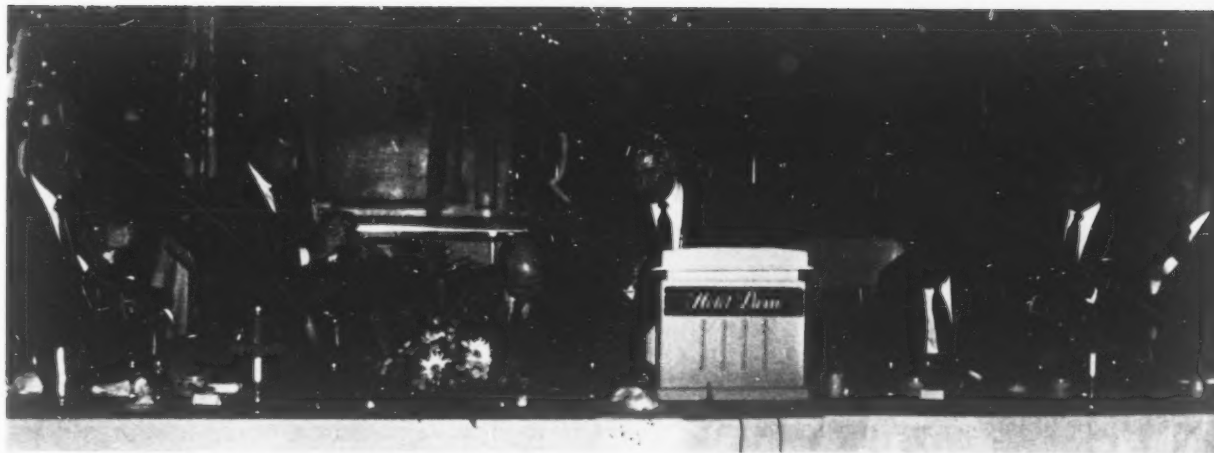
Income:

Membership dues	
Regular members	\$37,400.00
Associate members	
Domestic	1,900.00
Spain (See Note 2)	9,792.38
Sustaining members	9,900.00
	\$58,992.38
Banquets and luncheons - net	23,749.76
Bulletins - net	24,453.95
Certificates of Origin	8,914.33
Interest income	4,089.56
Total income	\$120,199.98

Expenses:

Office salaries	\$68,798.92
Payroll taxes	5,483.57
Hospitalization	2,764.12
Insurance	364.94
Rent and utilities	17,528.57
Telephone	3,679.04
Travel and public relations	6,794.04
Professional fees	800.00
Postage	5,164.89
Stationery and printing	4,442.02
Office maintenance	478.90
Dues and subscriptions	125.00
Machine rental	591.43
Bookkeeping services	1,075.00
Pension plan contributions	3,500.00
Miscellaneous	9,374.89
Depreciation	2,122.90

Total expense	133,088.23
Net loss	(\$12,888.25)
Operating Fund Balance - beginning of year	\$37,979.07
Operating Fund Balance - December 31, 1983	\$25,090.82



Mr. Jove presents Ambassador Porrero at the Annual Meeting.

Economic Outlook Favorable, Ambassador Porrero Tells Chamber's Annual Meeting

Ambassador Fernando R. Porrero, Consul General of Spain in New York, commented briefly on the situation of the Spanish economy at the Annual General Luncheon Meeting on June 14th, and finished with a tribute to outgoing Chamber President Ricardo Jove.

Ambassador Mañueco is in Madrid attending the meeting of the U.S.-Spain Council, and he has asked me to represent him here today.

It is once more an honor and a pleasure for me to be addressing you—an honor because this Chamber of Commerce has succeeded in carrying out over half a century a decisive role in fostering the commercial interests that link Spain to the United States, and in doing so has always maintained an image of dignity and responsibility. It is also a pleasure because I count all of you among my friends. But friendship and affection between the audience and the speaker does not allow the latter to talk indefinitely. It is for this reason that I will limit myself now to making some comments on the situation of the Spanish economy.

As our President says, we can reach the conclusion that 1984 appears to be progressing very favorably, above all with respect to the grain harvest and tourism.

1983 posed a hopeful challenge to the country to relaunch its economic activity and embark on the recovery expected by industrialized countries.

This collective wish seemed to be confirmed during the first period of the year, with positive effects on prices, unemployment, the balance of payments, and expansion of the industrial index.

The production of goods and services reflected in the GDP amounted to 22.7 billion pesetas, the result

of an actual increase of 2.0% and an implicit price variation of -1.8%.

The primary sector, agriculture and fishing, is estimated as having grown in real terms by 4.0%, being characterized as the most dynamic group, but with more limited price increases.

Manufacturing industry saw an expansion of 2.3%, with a repercussion of 0.64 in the GDP. The firmest stimulus occurred in those sectors with more possibilities of selling in foreign markets. The industrial production index rose around 2% for the first time since 1980, and use of electricity 4.2%. Also outstanding was the automobile industry.

The sectors of cement, glass, paper, basic chemicals and electric and electronic fabrication saw varying tendencies according to the obsolescence of their technology. Readaptation is more flexible in the consumer goods industry than in that of capital goods.

Results in the construction sector were not conducive to optimism. There was a decrease in public works and an increase in competition.

The evolution of the services sector, with the usual lack of statistics, appeared to maintain the rate of other years, from the data available on tourism, transport and trade. It is estimated that the sector attained a real expansion of 2.1%.

Paradoxically, with the maintenance of the level of consumer demand, an economic recession does not occur, but savings are absorbed, investments substi-

AMBASSADOR FERNANDO R. PORRERO

tuted, and the expansion of transfers from the public sector is stimulated.

Exports of goods rose by around 8.5%, with strong qualitative effects on the supplies from sectors which at present find the complement for the expansion of their activities in their sales abroad. Spain benefited from the increased competitiveness of the peseta, a consequence of its floating devaluation in relation to the other currencies of its economic sphere.

The domestic monetary situation, with the growing channeling of resources by means of the public sector, or the external monetary situation, subject to the quotation of the dollar and the evolution of the debts of developing countries, will influence the possibilities of investment and of trade.

We are in the midst of a process of transformation, in which technological changes occupy a predominant place and point out the obsolete sectors for which readaptation is needed.

All available information indicates a growing tendency by foreign investors to evaluate Spanish expectations favorably despite their uncertainties—uncertainties which should not be considered signs of con-

fusion or discouragement but of hope.

Recently published results for April show that the trade balance deficit for that month, \$382 million, was less than half that for the same period of last year.

I don't want to end these remarks without expressing to you all the gratitude of the Spanish Government for your efforts toward a greater equilibrium in the trade balance between our two countries.

I also want to thank you for what you have done and will do in the future for this Chamber, which has been led during the past two years by an exceptional personality, our common friend Ricardo Jove. It is my pleasure to congratulate him for the job he has done, and I am pleased to tell him that today I have proposed to the Embassy in Washington that a high decoration be granted to him as an acknowledgment of his outstanding dedication.

Ladies and gentlemen, at the end of a speech you generally hear the audience applaud. Today I am looking forward to hearing that applause, but it will not be addressed to your speaker but to the man who has been your President, Mr. Ricardo Jove.

COSTA LINE
INDEPENDENT ITALIAN SERVICE
RORO CONTAINERS BREAKBULK
Regular frequent sailings between Atlantic to Gulf Ports and
GENOA SAVONA GENOVA BARCELONA PORT
VALENCIA LATTAKIA ALEXANDRIA LUNDA TRIPOLI
BENGHAZI CASABLANCA ALGER ORAN NISABUN

RED SEA NAVIGATION LINE
REGULAR SERVICE
RORO CONTAINERS BREAKBULK
Regular frequent sailings between
Atlantic to Gulf Ports and
AGABA JEDDAH
HODEIDAH PORT SUFAN
YENBU BAGHDAD

COSTA LINE CARGO SERVICES, INC.
26 Broadway, New York, N.Y. 10004 (212) 480-8282
Booking Offices in Major Port Cities

**We've made it easier
to be successful...
in Spain, South America,
the World...**

BANCO HISPANO AMERICANO NEW YORK BRANCH

Located in the heart of one of the world's
foremost financial centers

Doing business anywhere depends on business
like advice and up-to-date information, the
kind only a strong European bank with over
three quarters of a century of experience in
domestic and international banking
can provide

Founded in 1900, Banco Hispano Americano
has that expertise

As one of Spain's largest banks, with deposits
of over \$11 billion, Banco Hispano Americano has
an information gathering network of international
scope with a host of worldwide offices in addition
to over 1,300 branches in Spain

BANCO HISPANO AMERICANO

Your success is our business

New York Branch
Olympic Towers
645 Fifth Avenue
New York, N.Y. 10022
Tel. (212) 486-8170

International Headquarters
Banco Hispano Americano
Marques de Villamagna 3
Madrid, Spain
Tel. 435-8440



By H.E. CARLOS SOLCHAGA
Minister of Industry and Energy of Spain

Spain's Industrial Policy: Betting on the Future

The Government of Spain has embarked on an industrial policy aimed at achieving structural adjustment and modernization of Spanish industry. At a luncheon in his honor at the Pierre on May 31st, the Minister of Industry and Energy outlined details of that policy.

LET ME FIRST express my gratitude to the Spain-U.S. Chamber of Commerce for its kind invitation to this meeting with such highly qualified representatives from the American world of business and finance. I trust this exchange of ideas will expand your knowledge of the economic and industrial reality of our country, thus making a definite contribution to the strengthening of the cooperation and the ties between Spain and the United States.

In the next few minutes, I shall present the guidelines defining industrial policy within the framework of the overall economic strategy adopted by my government since it took office in December 1982.

Spain, like the Western industrialized nations, has felt the impact of all the changes in the international economic environment which have characterized the crisis of the '70s. However, the impact of these external shocks on our economic structure has been greater here than in other countries. The deceleration of GDP growth throughout the period of economic crisis has been markedly more intense in Spain than in most industrialized countries; the rise in inflation has been more dramatic; the drop in investment has been sharper; and employment losses have been greater.

The economic crisis has been particularly harmful to the industrial sector. The growth of industrial production has undergone far greater deceleration than that suffered by total production. Meanwhile, industrial employment has experienced substantial losses, amounting to nearly a 20% decrease in the active industrial population since 1974.

I should point out, however, that Spain lagged behind most industrialized countries in defining a clear policy of adjustment to the economic crisis.

When the socialist government took office late in 1982, macro-economic adjustment was still incomplete, and the timid modernization and reform of the

economic system that previous democratic governments had undertaken proved to be insufficient.

The new government, therefore, set about implementing a policy aimed at correcting the internal and external disequilibria of the Spanish economy, so as to be able to profit from the expected international economic recovery of 1984 and 1985.

This policy was linked to a four-year strategy aimed at achieving a rate of economic growth above the OECD average, eliminating the inflation differential between Spain and OECD countries, and curbing the public deficit, which had reached 6% of the GDP in 1982, to the significantly lower level of 3%. The ultimate goal of this macro-economic adjustment program was to shift expenditure towards capital investment and exports, thus lowering the share of private and public consumption in total aggregate demand.

Accordingly, the government is not only conducting a strict, non-accommodating monetary policy but also carrying out a wage restraint policy that will contribute, firstly, to lower inflation, expectations, and



The Minister of Industry, Mr. Solchaga (2nd from left) with (L to R) Guillermo de la Dehesa, Secretary General of Commerce of Spain, Chamber President Ricardo Jové, and the Consul General, Ambassador Fernando R. Porrero.

Mr. Jove Introduces the Minister of Industry and Energy

It is appropriate that the last guest of this, our 25th anniversary season, should be one of the most important members of President Felipe González' cabinet, and also the most controversial. Our guest, Mr. Carlos Solchaga, Minister of Industry and Energy, has one of the most thankless jobs in Spain today. It is a job which inevitably causes him to be unpopular with large numbers of people. He is charged with industrial reconversion—that is, bringing Spain's industry into a competitive position with that of other European countries. Sometimes this involves closing plants which are no longer viable, and when you do that somebody always gets hurt. It is not a pleasant thing to have to do, but it is something that may have to be done for the sake of the Spanish economy. We have to admire and respect a man who is capable of doing a tough job and taking the heat that results, when he knows that job is vital to the health of the economy as a whole.

In the course of the last two years it has been my fate to introduce to you ever younger ministers of the present Government. Mr. Solchaga fits the pattern. He is young and energetic. He was born in Tafalla, in Navarra, 38 years ago, and is married with two children. He received his degree in economics from the Universidad Complutense in Madrid, and continued his studies here in the United States at M.I.T. He joined the Departamento de Estudios, the Research Department, at Banco de España, and in 1974 he went to the Instituto Nacional de Industria (I.N.I.) as Subdirector of Research. In 1976 he returned to the Banco de España and named chief of the Research Department there. He has also acted as Commercial Counselor of the Basque General Council, and was Deputy for Alava in the previous legislature and spokesman for the Basque Socialist Parliamentary Group. He is currently Deputy for Navarra as well as Minister of Industry and Energy.

secondly allow an increase in business profits, giving rise to the sustained recovery of private investment.

I am pleased to be able to say that the new government policy has up to now yielded satisfactory results.

The inflation rate was cut from 14.4% in 1982 to 12.2% in 1983. Since the slowdown in prices has continued during the first months of this year, the target of an 8% increase in the consumer price index will most likely be achieved in 1984.

Spanish exports increased at a rate of 7.5% in real terms in 1983. The forecast for 1984, based upon developments for the first months of the year, calls for an increase of over 10% in sales of Spanish goods and services abroad. The current account deficit, which reached 4.1 billion dollars in 1982, was virtually halved to 2.5 billion dollars in 1983, and is likely to be less than 500 million dollars in 1984.

On the other hand, foreign reserves dropped 325 million dollars in 1983, as compared with a 4.2 billion dollar loss in 1982. As for 1984, the behavior of the balance of payments during the first months points to a significant increase for the whole year. Meanwhile, the external debt has been stabilized at just under 30 billion dollars.

In spite of the favorable results I have just described, my government is aware of the fact that the economic adjustment process is still incomplete, and is equally aware of the need to maintain a strict macro-economic policy until the proposed medium-term objectives are reached.

The industrial policy the main features of which I shall now describe, may be viewed as the micro-economic approach to this same objective of medium-term adjustment of the Spanish economy.

As I have already mentioned, Spain lagged behind in setting both an appropriate policy of macro-economic adjustment and an adequate industrial policy. The measures taken, particularly in the area of energy and for the treatment of the so-called mature sectors (those most affected by the crisis), were clearly insufficient. Thus, during the first eighteen months of Socialist government industrial policy has focused on these two areas: energy policy and restructuring policy for sectors in crisis.

The new guidelines for energy policy have been laid down in the latest version of the national energy plan recently approved by my government, the main objective of which is to establish a program of energy saving and conservation.

Consequently we are implementing a price policy which will lead to a more rational energy consumption, having also established a set of investment incentives in energy saving and conservation that includes official grants and soft loans from official credit institutions.

As a result of this incentive scheme, it is estimated that investment in energy saving and conservation for the period 1984-1986 will reach one billion dollars, which represents a 1,000% increase with respect to investments in the previous three-year period.

"I firmly believe that it is absolutely necessary to go ahead with this adjustment policy in order to make Spanish industry internationally competitive."

The new national energy plan also lays down a set of measures aimed at rationalizing supply. Our intention is to reduce Spain's excessive dependence on energy imports, and to achieve the most efficient use of resources in order to meet energy demand forecasts.

Our goal, therefore, is to develop those energy sources which least rely on external suppliers (hydraulic, coal and nuclear power), so that by 1992 we may reach a 45% level of self sufficiency, as compared with the present level of 34%, and reduce by a third the cost in foreign currency of each unit of primary energy consumed.



Mr. Solchaga addresses the Chamber luncheon in his honor.

In electrical energy production, it has been necessary to scale down the capacity foreseen in the previous national energy plan in order to adjust to the new demand estimates. Furthermore, in order to optimize the composition of the generating plants, estimated nuclear power capacity for the 1982-1992 period has been reduced from 12,500 megawatts in the previous national energy plan to 7,600 megawatts in the present plan. I should point out, however, that despite this reduction, the relative weight of nuclear power will increase considerably: while in 1982, 8.4% of electrical energy production was nuclear-based, this percentage will increase to 29.5% in 1992.

The decision to adjust electrical generation capacity was reached in agreement with the utilities' representatives. It is also supported by a set of institutional and rate-policy reforms geared towards achieving the necessary profitability and financial wellbeing of utilities (mostly private), while allowing for the

operation of the national electrical grid system in accordance with overall efficiency criteria.

I have pointed out the main features of our new energy policy, and I should now like to touch on another aspect of industrial policy demanding urgent action: the industrial restructuring policy for the so-called traditional sectors.

Restructuring of these sectors called for a significant adjustment of production capacity and employment. Surplus jobs in the traditional sectors (steel, shipbuilding, etc.) compared favorably with total employment losses in industry throughout the period of economic crisis. However, there was a high degree of concentration both in terms of the number of firms involved and of their geographical location, which explains why the previous government delayed this necessary adjustment.

The Socialist government, aware of the political difficulties involved, decided to undertake a rigorous industrial restructuring policy, in the knowledge that the latter's success would leave available a large volume of financial resources that could later be reassigned to production activities with better prospects of profitability.

The industrial renewal policy being developed by the government, however, goes beyond the correction of production capacity and employment surpluses. It also seeks the financial strengthening of industrial firms, technological updating and new orientations for supply according to rational criteria. The latter will mean occasionally having to resort to mergers and specialization.

To help this process along, the government has passed the industrial reconversion law, which provides the framework for the means of carrying out this policy and includes tax breaks and a wide range of other financial incentives.

I firmly believe that it is absolutely necessary to go ahead with this adjustment policy in order to make Spanish industry internationally competitive—first, because it ensures the economic viability of those same traditional sectors, safeguarding most of the job in them; and secondly because the trimming of these areas of industry improves production conditions for other areas, leaving available, as I have already said, an important amount of public and private funds which may be assigned to other branches of industry with more advanced technology and a more promising future.

The promotion of production processes with a higher technological content is precisely the policy

Portrait of a typical Iberia cargo customer.



SELF-PORTRAIT 1906

When the Picasso exhibit flew from New York to its new home in Madrid, officials chose an airline that would transport his irreplaceable works in perfect condition. And that airline was Iberia.

Iberia is the Number 1 cargo airline to Spain, with the only all-freighter service 4 times a week. We also have widebody cargo service beyond Madrid to every major city in Europe, Africa and the Middle East, as well as cities in Canada, Mexico and South America.

Iberia. We've transported Spain's treasures. For more information on how we can transport yours, call us in Miami toll free at 1-800-327-2302. Elsewhere in Florida, call 1-800-432-1231. Or call the JFK cargo office at 1-800-221-6002.

IBERIA  **CARGO**
INTERNATIONAL AIRLINES OF SPAIN

area where my department is working with particular enthusiasm.

It is not our intention to take the place of private business in the selection of investment opportunities, since it is ultimately up to each investor to determine, through his own choice and by assuming the risks involved, which sectors promise the highest returns and the brightest future.

What the administration ought to do, and what the Ministry of Industry is indeed doing, is to design and put into action an ambitious technological promotion plan. Besides increasing the funds allocated to furthering technological innovation, tax benefits have been increased for companies investing in research and development; and the main public agency for the promotion of technological innovation, the

"The Government has recently approved the national electronics plan, a firm reply to the call for the technological improvement of our production system."

C.E.D.E.T.I., has been reorganized in order to increase its efficiency, both in its role as an information and consultant agency and as a financial institution. To the same ends we foresee the reform of the present regulations concerning industrial property, standards and homologation, as well as the greater role of public companies in technological innovation.

At the same time, the administration should continue to support the development of certain industries that are already internationally competitive or which may be considered strategically placed to assist in the modernization of the Spanish production system as a whole.

Automobile production is a clear example of the former type of industry. In 1983 Spain produced nearly one and a quarter million cars, of which over 660,000 have been exported. This is an example of the export-oriented policy of multinational firms established in our country which have integrated their Spanish plans into their world production and marketing effort. The administration intends to maintain its support for this industry along the same policy guidelines applied to it until now.

Electronics is the best example of a strategically placed sector which will not only condition the future development of other industrial production processes but will also affect service industries such as telecommunications, financial services, health assistance, government, etc.



Mr. Solchaga, Mr. Jove, and Commercial Counselor Rafael Aguilar.

For this very reason the government has recently approved the national electronics plan, a firm reply to the call for the technological improvement of our production system and which will promote an ever-increasing usage of information technology in industrial and service activities.

The plan's main objective, therefore, is to increase consumption of electronic inputs. The electronic consumption-GDP ratio (which in 1982 was 2.2%) is estimated to rise to 3.1% by 1987, implying a very strong growth in consumption throughout the next four years. Specifically, it represents an annual cumulative growth of 10.5% in real terms—that is, more than seven percentage points above estimated GDP growth.

The national electronics plan will also attempt to increase the industry's output, which at the moment covers barely 50% of domestic consumption, and at the same time to integrate our own industry into world electronic production and trade.

In order to guarantee the international competitiveness of the new plants due to be built, export levels must necessarily be higher, though this inevitably means allowing imports to increase more than if our production were geared first and foremost to the needs of our domestic market. For that reason, the plan foresees unusually high increases in exports (36% in the plan's four year period) and a minor, though still relatively high, growth in imports (8.4%).

The plan defines, in accordance with these basic strategic principles, preferential criteria for investment selection, for negotiation with Spanish or multinational firms geared towards the promotion of new industrial activities, and even for the renewal of current production lines. Naturally, such criteria will tend to favor those industrial plants offering a narrow range of products, with high production levels, and an important volume of exports (which means a level of competitiveness raised to international standards), placing at a premium such factors as the amount of domestic added-value, the undertaking to open

**BANCO EXTERIOR GROUP... OF SPAIN...
OF FEDERAL REPUBLIC OF GERMANY... OF
BELGIUM... OF NETHERLANDS... OF ITALY...
OF THE UNITED KINGDOM... OF ECUADOR...
OF PERU... OF ARGENTINA... OF PANAMA...
OF PARAGUAY... OF EQUATORIAL GUINEA...
OF COLOMBIA... OF BRAZIL... OF FRANCE...
OF GUATEMALA... OF BAHRAIN... OF THE
UNITED STATES... OF MEXICO... OF USSR...
OF VENEZUELA... OF SWITZERLAND... OF
SINGAPORE... OF PORTUGAL... OF EGYPT...
OF CAYMAN ISLANDS... OF URUGUAY... OF
BOLIVIA... OF CHILE... OF THE WORLD.**



BANCO EXTERIOR GROUP
Banking without frontiers



**Representative Office
645 Fifth Avenue
Olympic Towers Building
11 th floor New York, N.Y. 10022**

research centers in our country, and an import-export ratio advantageous to Spain. Special attention will also be given to payments for technological services.

The plan also establishes a complete system of incentives designed to direct the development of the industry. The increase in consumption will be backed by a public purchase policy, information campaigns on the use of electronic equipment in business, and tax and financial aid for technological innovation. Specific aid will also be provided to those companies investing in electronic equipment. As a more direct strategy for promoting the electronics industry, we will use a variety of instruments, such as the adequate handling of purchase policies in public agencies, a tariffs policy, and direct fiscal and financial aid to firms.

It thus becomes clear that the role of foreign investors, specifically North American, is fundamental to our promotion strategy. In fact, throughout the economic crisis, foreign investment in Spain, even allowing for certain fluctuations, has been strong—a clear result of the liberal regulations introduced during the '70s regarding direct and portfolio investments and the transfer of profits and capital gains.

Generally speaking, except in the case of the specific regulation applicable to a few special sectors and to small companies, those foreign investments in Spanish firms not exceeding 50% of their capital are not subject to any form of administrative control. On the other hand, in the case of those foreign investments subject to prior administrative authorization, acceptance is based on a very liberal criterion, provided, of course, they do not clash with the national interests. With regard to the rights of foreign investors under Spanish law, I wish to emphasize that they are perfectly free to transfer abroad all profits

and dividends, as well as all capital gains and the principal of the original investment. Similarly, Spanish firms with foreign capital shall have access without any legal limitation, to domestic credit under the same conditions as Spanish firms without foreign participation.

My government will continue to follow this policy and work for its expansion. The inflow of foreign capital will not only serve to supplement domestic savings and help to finance the balance of payments, but it will also help, as I said earlier, to bring about technological innovation in our industry and increase its export capacity.

While this policy is related to the process of raising our economic institutions to the standards of the European community—which, as you are aware, Spain will most likely join in 1986—it is also, and more important, inspired by our belief that by opening up our industry and by integrating it into international markets, we are helping to achieve its structural adjustment and its modernization.

Without a doubt, it is necessary to proceed with the modernization of several of our social and economic structures. More specifically, it is important to make the Spanish job market more flexible by reducing the fixed cost of the labor price through the rationalization of the social security system and the decrease in severance payments, which should also have a clearly positive effect on the reduction in the public deficit.

My government is currently embarked in this direction; and I want to assure you that we have dedicated our most sincere efforts to this task, aware as we are that it is our responsibility to guide the transition towards a new industrial society in which human initiative and a free market spirit will bring about higher levels of wellbeing and a more just society.

HOW TO VISIT A DOLMEN

(CONTINUED FROM PAGE 28)

spectacular of the three. Discovered in 1905, Romeral is considered the first example of true architecture in Western Europe, because of its two interior domes. Said to date from 1800 B.C., Romeral consists of a long hall which ends in a small domed chamber which in turn connects by another passageway to a second, more grand domed chamber.

As Romeral is cut off from the main highway by a sugar factory, the gatekeeper of the factory has been charged with also handling the admission of visitors to the dolmen. If you don't speak Spanish, sign language and a constant repetition of the word "dolmen" will net you the key. You then must make your way on foot behind the factory to the dolmen, which

sits in a little park with towering cypress trees. Romeral is open any time you can get hold of the gatekeeper of the sugar factory. All he asks is that you don't forget to return the key.

FASHION MERCHANDISER SEEKS JOINT VENTURE

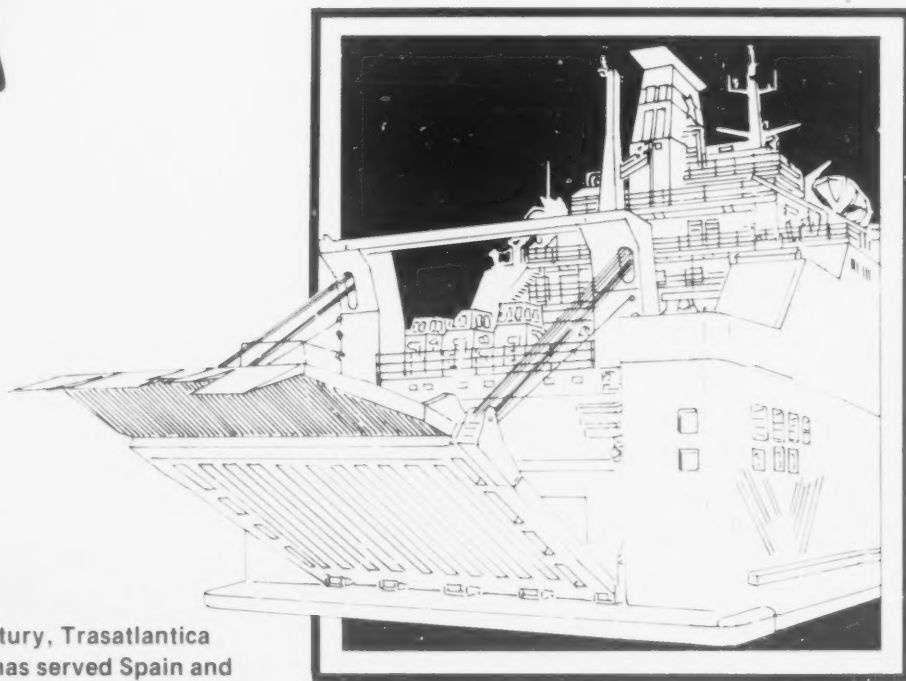
We are U.S. distributors for fashion merchandise to better specialty and department stores. We can deliver the U.S. market to you if you have the right product. Facilities to import, warehouse, bill, credit check and collect. Seeking joint venture with quality and reliable factory. Contact Leslie Agisim, JBA INDUSTRIES, 677 Fifth Ave., New York, N.Y. 10022. Telex 225910. Telephone (212) 371-3933.

BUILDING AVAILABLE 20 KM. FROM BARCELONA

At excellent intersection of roads, highway and rail services, available immediately for company wishing to set up in Spain. Any kind of cooperation, particularly rental. Building has offices, conference hall for up to 100, bar, stores, toilet facilities, watchman's dwelling, wide grounds for possible further development (total surface 10M sq. meters, 30% built up). Suitable commercial center, factory, chemical lab, distribution center, etc. Contact A. Riera Parellada, S.A., Martorell (Barcelona).

Trasatlantica Spanish Line

Over a
Century of
Quality Service



For over a century, Trasatlantica Spanish Line has served Spain and the U.S., offering quality service and personalized attention to customers and cargo.

Now, Trasatlantica Spanish Line's North Atlantic service has been expanded to include the Italian ports of Genoa and Leghorn, linking the heart of the Mediterranean with the United States. Also new is the addition of two sophisticated Ro/Ro and Lo/Lo vessels offering service between Mediterranean ports and Miami

and the U.S. Gulf. General agent for the line is the Kerr Steamship Company, 2 World Trade Center, New York, N.Y. 10048; telephone (212) 524-1100; with offices throughout the United States.



TRASATLANTICA
Spanish Line

The Chamber Celebrates its 25th Anniversary and Salutes San Sadurní de Noya and its Sparkling Wines

On Saturday evening, May 19th, the Chamber climaxed its 25th anniversary season with its annual dinner-dance, held in the Grand Ballroom of the Pierre Hotel. In recognition of the anniversary, King Juan Carlos I and Queen Sofia of Spain and Prime Minister Felipe González sent special greetings, as did Mayor Edward I. Koch of New York.

In keeping with the Chamber tradition of honoring cities and regions of Spain, the 1984 gala took as its theme the Catalan town of San Sadurní de Noya in the Penedes region, the center of the production of the Spanish wines which have literally taken the U.S. market by storm, with a increase in U.S. imports since 1980 of some 2000 per cent.

Special thanks for the success of the evening are due to José Peces Perezagua, chairman of the Dinner-Dance Committee, to the Chamber staff, and to the member firms which donated the sparkling wines, the gifts for guests, and the raffle prizes. Also making a vital contribution were the record number of advertisers who made possible the Souvenir Program.

The King and Queen of Spain Send 25th Anniversary Greetings

"Con motivo del XXV aniversario de la fundación de esta Cámara de Comercio Española, enviamos un saludo muy afectuoso a todos sus componentes con los fervientes deseos de muchos éxitos en la importante labor que llevan a cabo no sólo en la creación de lazos comerciales con Estados Unidos, sino también en el acercamiento de ambos pueblos."

A Message from Prime Minister Felipe González of Spain

"Con ocasión del XXV aniversario de la fundación de la Cámara de Comercio Hispano Norteamericana, me resulta particularmente grato hacerles partícipes de mi más sincera felicitación por la importante e intensa labor realizada a lo largo de todo este cuarto de siglo y mi más profundo deseo para que en el futuro se amplíen todavía más los lazos y relaciones que unen nuestras dos Comunidades."

"En estos tiempos de profunda crisis económica en los que desafortunadamente hebran tentaciones de tipo proteccionista, las Cámaras de Comercio constituyen verdaderas embajadas económicas con una misión de primer orden para abrir nuevas fronteras y canalizar adecuadamente unas relaciones comerciales crecientes que redunden en beneficio de todos."





At table number one (above) Chamber members and guests included the Consul General of Spain in New York, Ambassador and Mrs. Fernando R. Porrero, the Guests of Honor: Commercial Counselor and Mrs. Antonio Llanos; Chamber President and Mrs. Ricardo Jove; and José Peces Perezagua, chairman of the Dinner-Dance Committee.

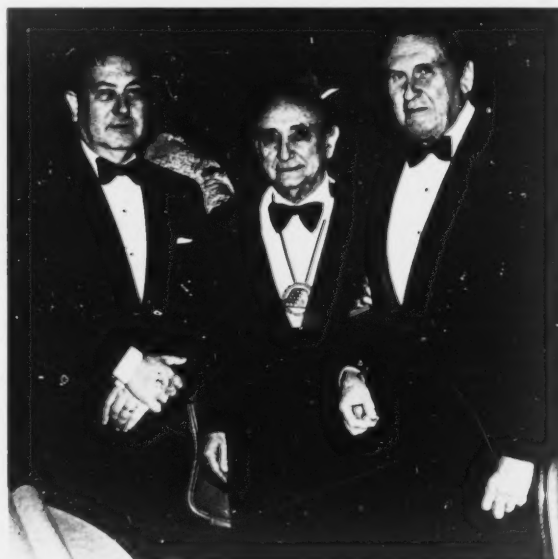


Right (top)—Manuel Durán, one of the founders and a member of the Board of Nominations of the Confraria dels Vins de Cava Sant Sadurni—the Cava Wines Brotherhood of San Sadurni de Noya—confers honorary membership in the Confraria on wine writer Karen McNeill.

At right, Mr. Durán inducts Ambassador Porrero as an honorary member of the Confraria, as Miss McNeill and Mr. Jove look on. The 200-member Confraria conducts tastings, seminars and meetings on matters concerning Cava wines in its own building, a former wine cellar, in San Sadurni de Noya.



Below, right — The two "Founding Fathers" still active in the Chamber, John E. Codina (left) and Jesus de Azcarreta (right), who were honored guests at the gala, with Guest of Honor Ambassador Porrero.



El comercio entre España y los Estados Unidos en 1983

En los cuadros números 1 y 2, elaborados a partir de datos proporcionados por la Dirección General de Aduanas y la Secretaría General Técnica del Ministerio de Economía y Hacienda, se recoge la evolución de los intercambios comerciales entre España y los Estados Unidos durante los últimos cinco años, tanto en dólares como en pesetas.

Como puede apreciarse, en los citados cuadros, el año 1983 ha supuesto una importante mejora para España en las relaciones comerciales entre ambos países. Hay que buscar la explicación de esta mejora en dos factores. En primer lugar, la clara recuperación experimentada por la economía americana a lo largo de 1983, dado que la depresión que venía padeciendo tocó fondo en noviembre de 1982. En segundo lugar, la extraordinaria fortaleza del dólar, respecto al que se han depreciado, en mayor o menor grado, todas las monedas. La combinación de estos dos factores ha dado lugar al mayor déficit comercial en la historia de los Estados Unidos—aproximadamente 70.000 millones de dólares—que ha afectado claramente al comportamiento de nuestras relaciones comerciales con el

gigante americano. Las características más significativas del comercio entre ambos países han sido:

1. La importación española procedente de los Estados Unidos, expresada en dólares, ha disminuido un 20,7% al alcanzar la cifra de 3.456 millones frente a los 4.357 de 1982, frente a la caída del 7,7% experimentada por la importación española total.

Si tomamos cifras en pesetas las importaciones procedentes de los Estados Unidos han aumentado el 2,8% frente al aumento del 20,2% en la importación total.

2. Por lo que se refiere a las exportaciones a los Estados Unidos, se han elevado a 1.418 millones de dólares con un aumento del 7,3% sobre 1982; al mismo tiempo nuestra exportación total expresada en dólares ha caído un 6,6%.

Las cifras en pesetas nos muestran unos incrementos del 42% y del 25,5% respectivamente.

3. El índice de cobertura ha experimentado una sensible mejora de 11,5 puntos, ya que se ha situado en el 41,7%, nivel no alcanzado desde 1979. Sin

CUADRO N.º 1

COMERCIO ESPAÑA-ESTADOS UNIDOS

(Valor en miles de millones de pesetas - Dirección General de Aduanas)

Años	Importaciones españolas (CIF)	Exportaciones españolas (FOB)	Saldo	% aumento de las importaciones (s/ el año anterior)	% aumento de las exportaciones (s/ el año anterior)	Índice de cobertura conción española el comercio con USA	% de importación española que procede de USA	% de exportación española que se dirige a USA
1979	211,7	85,1	-126,6	11,4	-8,2	40,4	12,4	7,0
1980	318,8	79,4	-239,4	50,5	-6,8	24,8	13,0	5,3
1981	412,4	126,9	-285,5	29,4	59,8	30,8	13,9	6,7
1982	482,0	145,5	-336,5	16,9	14,7	30,2	13,9	6,4
1983	495,5	206,6	-288,9	2,8	42,0	41,7	11,9	7,3

CUADRO N.º 2

COMERCIO ESPAÑA-ESTADOS UNIDOS

(Valor en millones de dólares - S.G.T. Ministerio de Economía y Hacienda)

Años	Importaciones españolas (CIF)	Exportaciones españolas (FOB)	Saldo	% aumento de las importaciones (sobre el año anterior)	% aumento de las exportaciones (sobre el año anterior)
1979	3.153	1.267	1.886	30,6	7,6
1980	4.427	1.086	3.341	40,4	-14,3
1981	4.451	1.356	3.095	0,5	24,5
1982	4.357	1.322	3.035	-2,1	-1,9
1983	3.456	1.418	2.038	-20,7	7,3

embargo, continúa por debajo del índice de cobertura global, que ha sido en 1983 del 67,9%.

4. El porcentaje de la exportación española que se dirigió al los Estados Unidos el año 1983 ha sido del 7,3% frente al 6,4% de 1982. Por otro lado el porcentaje de la importación española que procede de los Estados Unidos ha vuelto a disminuir, estando situado en estos momentos en el 11,9%.

5. Finalmente, el déficit comercial que tradicionalmente mantenemos con los Estados Unidos ha mejorado sensiblemente, tanto si se expresa en dólares como en pesetas.

De hecho en dólares ha disminuido en casi 1.000 millones, pues solo se ha elevado a 2.038 millones. En pesetas ha pasado de 336,5 miles de millones en 1982 a 288,9 en 1983.

En resumen, puede decirse que 1983 ha supuesto una ruptura en la tendencia que venía experimentándose en las relaciones comerciales españolas con los Estados Unidos. Se ha producido una fuerte caída de la importación, un aumento importante en la exportación, y se han mejorado sensiblemente, tanto el índice de cobertura como el déficit.

Para 1984 las razones que han motivado esta mejora tendrán un menor impacto. La economía americana continuará su expansión, aunque a un menor ritmo, y el dólar, por su parte, no parece que vaya a continuar con su carrera alcista. Por ello, la continuación de esta coyuntura pasa por un denodado esfuerzo de nuestros exportadores en la consolidación de sus intentos de penetración en este mercado.

IMPORTACIONES ESPAÑOLAS

A pesar de la fuerte caída experimentada en 1983

por las importaciones procedentes de los Estados Unidos, este país continúa siendo el primer proveedor español, seguido de la República Federal Alemana, Francia, México, Reino Unido e Irán.

El cuadro número 3 recoge la composición de la importación española procedente de los Estados Unidos, en millones de dólares. Como puede apreciarse, la importación se encuentra concentrada en unos pocos capítulos. En concreto, los diez que aparecen en el cuadro representan el 80,8% del total de la importación.

Aunque en 1983 se ha producido un ligero descenso en el grado de concentración, durante los últimos cinco años estos diez capítulos han crecido un 20,9% frente al 9,6% experimentado por la importación total.

A pesar de que las importaciones españolas procedentes de los Estados Unidos, expresadas en dólares, han disminuido en 920 millones, el nivel alcanzado en 1983 está todavía por encima del de 1979 debido al fuerte aumento experimentado en 1980, cuando se incrementaron en más de 1.300 millones.

Por otra parte la composición de nuestras importaciones no ha variado sustancialmente respecto a años anteriores. Están compuestas fundamentalmente por materias primas (cereales, semillas, combustibles...) y bienes de equipo, todos ellos íntimamente ligados a la estructura productiva española de la economía española.

En el cuadro número 4 se estudia con más detalle la evolución durante los últimos cinco años de las principales partidas de la importación española. Se han considerado aquellos productos o grupos de productos homogéneos—37 en total—que han registrado en

CUADRO N.º 3

IMPORTACIONES ESPAÑOLAS DE LOS ESTADOS UNIDOS

(en millones de dólares)

CAP.	1979	1980	1981	1982	1983	% de variación 1983/1979
10. Cereales	430,0	831,2	811,9	762,0	463,5	-7,8
12. Semillas	523,4	614,0	732,6	769,4	571,0	-9,1
24. Tabaco	86,0	159,2	153,5	177,7	195,9	127,8
27. Combustibles minerales	135,0	268,7	544,7	541,9	424,5	-214,4
29. Prod. químicos orgánicos	137,5	153,5	166,4	171,1	136,8	-3,5
73. Prod. siderúrgicos	196,5	195,4	160,6	133,0	62,4	-68,2
84. Maquinaria mecánica	423,7	557,3	623,3	584,3	571,0	-33,8
85. Maquinaria eléctrica	103,7	161,3	161,9	160,7	152,8	-47,3
88. Navegación aérea	165,3	229,7	176,7	149,7	93,1	-76,3
90. Instrumentos de medida, medicos etc.	108,7	137,3	161,2	174,6	180,0	-6,6
A) Total parcial	2.309,8	3.307,6	3.602,8	3.624,4	2.793,2	-20,9
B) Total importaciones	3.143,3	4.427,8	4.450,8	4.357,4	3.455,6	-9,6
% A/B	73,3	74,7	80,9	83,2	80,8	

CUADRO N° 4

PRINCIPALES RENGLONES DE LA IMPORTACION ESPAÑOLA DE LOS ESTADOS UNIDOS

(Valor en millones de dólares)

Identificación arancelaria	Producto	1979	1980	1981	1982	1983	% de variación 1983/1979
12 01 46	Semilla de soja	564.9	593.6	665.6	723.8	555.3	-9.2
10 05	Maíz	389.8	650.3	694.5	604.6	441.4	13.2
27 01	Huías	83.1	191.8	391.0	366.1	185.8	123.6
24 01	Tabaco en rama	25.9	87.0	116.6	156.5	173.1	568.3
84 53	Maq. automáticas de información	96.1	117.2	148.0	121.1	132.1	37.5
27 14 30	Coque de petróleo	25.4	1.6	55.4	68.4	77.3	204.3
27 10 69	Fueloil	38.7	-	56.3	38.7	70.3	81.7
84 55	Piezas sueltas y accesorios maq. escribir, calcular, información	29.5	40.1	45.6	42.5	60.3	104.4
27 10 59	Aceites de petróleo o de minerales bituminosos	6.6	13.2	71.5	76.4	59.8	806.1
84 08	Otros motores y maq. motrices	22.3	42.8	61.1	64.0	56.5	153.4
28 50 41	Uranio natural	-	72.2	64.6	53.9	55.1	—
85 15	Aparatos receptores y transmisores de radiotelefonía/telegrafía	21.5	29.2	39.4	48.0	48.4	115.1
90 28 59	Instr. y aparatos de verificación	23.8	28.5	44.3	38.7	43.9	84.5
84 23	Maq. y aparatos para la extracción/excavación suelo	35.4	41.7	53.6	37.5	42.2	19.2
90 17	Instr. y aparatos de medicina	22.4	31.6	36.6	39.8	34.5	54.0
84 59 31	Reactores nucleares	47.9	57.8	31.2	21.1	32.5	-32.2
84 05	Maq. de vapor de agua y otros vapores	4.9	15.0	3.1	18.0	30.9	530.6
73 03	Chatarra	170.2	160.7	57.6	91.7	30.5	-82.1
84 61	Art. de grifería	17.2	17.3	20.2	21.3	28.5	65.7
38 14	Preparados antidetonantes	24.7	30.0	29.8	30.6	27.2	10.1
44 05	Maderas aserradas	32.4	52.8	17.2	28.3	26.7	-17.6
55 01	Algodón sin cardar ni peinar	57.6	55.1	23.6	15.2	25.8	-7.2
90 29	Partes, piezas sueltas y accesorios para aerómetros, pesalíquidos, etc.	8.7	9.6	11.8	17.7	25.3	190.8
88 03 40	Partes y piezas sueltas de aerodinos	7.6	-	24.1	23.2	24.8	226.3
29 35	Compuestos hidráulicos	25.3	21.4	16.2	22.7	24.1	-4.7
85 21	Lámparas, tubos y válvulas electrónicos	24.1	36.6	38.1	32.6	23.8	-1.0
31 05 12	Abonos	17.2	49.2	31.5	5.8	23.7	37.8
24 02	Tabaco elaborado	60.2	72.2	36.9	21.2	22.8	-62.1
85 01	Maq. generadoras, transformadores, etc.	11.2	31.2	18.6	12.3	22.8	103.6
85 19	Apar. y material p/corte seccionamiento conexión circuitos eléctricos	12.2	16.3	17.4	22.7	20.0	63.9
38 19	Prod. químicos y preparados	15.5	18.3	14.7	18.3	19.6	26.5
47 01	Pastas de papel	14.0	24.4	26.9	27.3	17.4	24.3
84 06	Motores de explosión o de combustión interna	32.6	24.7	33.2	26.1	16.7	-48.8
84 10	Bombas, motobombas y turbo-bombas líquidos	9.2	9.8	12.3	11.3	16.6	80.4
48 01	Papeles y cartones	14.7	24.0	18.9	21.1	16.5	-12.2
29 44	Antibióticos	17.4	14.9	17.7	20.5	16.2	-6.9
39 02	Prod. de polimerización y copolimerización	13.5	17.7	15.2	15.9	16.0	18.5
A) Total parcial		1993.9	2699.8	3060.3	3004.3	2544.4	
B) Total importación		3153.3	4427.8	4450.8	4357.4	3455.6	9.6
% A/B		63.2	61.0	70.2	68.9	73.6	

1983 un valor mínimo de 16 millones de dólares.

Es significativo señalar que a pesar de los descensos experimentados en 1983, si se tienen en cuenta los últimos cinco años, los productos que experimentan caídas son solamente diez, frente a treinta y seis que arrojan crecimientos. Ello quiere decir que la economía española tiene un fuerte nivel de dependencia respecto a la economía americana y que la corrección del desequilibrio comercial entre ambos países parece muy lejano, pues aunque nuestras exportaciones españolas a este mercado se han mostrado más dinámicas en 1983, el camino a recorrer es todavía muy largo.

EXPORTACIONES ESPAÑOLAS

Como en años anteriores los Estados Unidos ha sido, tras Francia, Alemania y Gran Bretaña, el cuarto cliente español, absorbiendo, como se ha indicado anteriormente, el 7,3% de la exportación española total.

En el cuadro número 5 se recoge la evolución de la exportación española a los Estados Unidos por capítulos arancelarios. Los diecisiete en él incluidos representan el 70,6% de la exportación total. Se trata de un porcentaje similar al de años anteriores. Un estudio detallado de este cuadro nos permite, sin

embargo, apreciar que la exportación española a los Estados Unidos es muy vulnerable, pues se concentra en pocos capítulos arancelarios, sometidos al comportamiento de los distintos sectores económicos de la economía americana, a los posibles efectos de medidas proteccionistas y a la inestabilidad de nuestros precios en relación a nuevos competidores. Así, los tres capítulos arancelarios más importantes, 64, 73 y 20, representan el 45,0% de la exportación total, y si se suman los cuatro siguientes, 84, 40, 32 y 29 este porcentaje pasa al 63,2%. El resto de la exportación se ha distribuido entre un gran número de capítulos arancelarios, lo que hace que ningún sector económico americano esté claramente penetrado por la exportación española.

En el cuadro número 6 se han detallado aquellos productos o grupos homogéneos de productos cuyo valor de exportación en 1983 ha sido como mínimo de 6.000.000 dólares. Estos renglones, 17 en total, representan el 70,9% de la exportación española.

El **calzado** es el primer capítulo de la exportación española a los Estados Unidos, habiendo alcanzado la cifra de 263.300.000 dólares. Recupera así el primer puesto perdido en el año 1979 en favor del capítulo 73, los productos siderúrgicos. Debe registrarse sin embargo, que todavía se encuentra en un nivel

CUADRO N° 5

EXPORTACIONES ESPAÑOLAS A LOS ESTADOS UNIDOS

(en millones de dólares — F.O.B.)

CAP.	Producto	1979	1980	1981	1982	1983	% de variación 1983/1979
15	Grasas y aceites	16,3	13,6	15,3	13,9	24,1	47,9
20	Preparados de legumbres	101,4	104,1	110,4	130,6	127,1	25,3
22	Bebidas alcohólicas	35,6	42,1	44,4	49,4	53,2	49,4
25	Cemento	20,4	13,3	16,4	19,0	30,8	51,0
27	Combustibles minerales	23,1	18,7	35,3	20,2	28,6	23,8
29	Productos químicos orgánicos	11,2	15,3	12,1	26,8	41,1	267,0
40	Manufacturas de caucho	81,1	54,9	45,3	30,9	54,1	-33,3
49	Artes gráficas	17,1	40,0	16,7	18,4	21,2	24,0
64	Calzado	277,9	161,6	210,2	235,2	263,3	-5,3
69	Productos cerámicos	13,2	17,4	24,3	22,8	23,2	75,8
71	Perlas finas, piedras preciosas, bisutería	16,3	8,1	13,4	11,3	19,2	17,8
73	Productos siderúrgicos	206,6	215,1	310,9	255,3	260,8	26,1
79	Zinc	30,9	27,6	25,0	2,9	18,1	-54,6
84	Maquinaria	90,0	96,8	139,6	144,5	93,0	3,3
85	Maq. y aparatos eléctricos para usos electrónicos	10,1	-	11,2	16,3	17,5	73,3
87	Vehículos	36,0	25,1	29,4	23,7	23,9	-33,6
88	Navegación aérea	7,6	25,8	34,8	26,8	29,4	286,8
A) Total parcial		1003,8	879,5	1094,7	1047,4	1128,6	12,4
B) Total exportación		1267,1	1086,6	1356,4	1321,6	1417,9	11,9
% A/B		79,2	80,9	80,7	79,3	79,6	

PRINCIPALES RENGLONES DE LA EXPORTACION ESPAÑOLA A LOS ESTADOS UNIDOS

(Valor en millones de dólares — F.O.B.)

Identificación arancelaria	Producto	1979	1980	1981	1982	1983	% de variación 1983/1979
64 02	Calzado con suela de cuero	241.9	143.2	179.6	204.9	237.6	-1.8
20 02 60	Alcaparras y aceitunas	69.3	73.5	69.9	81.7	68.8	-0.7
73 13	Chapas de hierro o acero	55.4	35.1	61.1	34.2	66.3	19.7
40 11	Neumáticos	78.0	53.3	42.8	26.3	49.5	-36.5
73 11	Perfiles de hierro o acero	34.5	61.0	66.5	42.9	31.6	-8.4
27 10	Aceites de petróleo	13.6	9.9	39.2	20.2	28.6	110.3
73 73	Barras y perfiles de acero aleado	-	-	24.4	35.8	27.7	-
15 07	Aceites puros o refinados	16.3	13.6	15.3	13.8	24.1	47.9
84 53	Maq. automáticas p/ el tratamiento de la información, etc.	1.0	11.4	62.3	62.6	23.0	2200.0
87 06	Recambios vehículos	29.6	22.4	27.7	20.6	20.2	-25.0
73 18	Tubos de hierro o acero	20.6	47.7	76.6	55.0	21.5	7.5
25 23	Cemento	14.8	9.7	10.2	8.4	20.8	40.5
64 01	Calzado con suela de caucho	33.6	14.8	25.9	26.1	20.8	-37.9
29 01	Hidrocarburos	1.0	4.9	3.8	18.4	20.5	1950.0
22 05 01	Vinos espumosos	1.8	2.9	17.2	13.8	20.4	1940.0
88 02	Aviones, hidroaviones, planeadores	3.3	21.1	15.7	13.1	18.3	454.5
20 02 98	Conservas de pimiento	6.5	6.9	17.3	16.1	16.7	156.9
79 01	Cinc en bruto, desperdicios	39.5	26.9	23.5	2.2	16.2	-59.0
73 10	Barras de hierro o acero	9.3	7.7	8.9	6.6	15.5	66.7
49 01	Libros impresos	14.7	12.4	14.5	14.8	15.2	3.4
73 25	Cables, trenzas de alambre	13.8	8.3	7.7	16.9	15.0	17.2
73 75	Chapas magnéticas	-	-	9.8	11.1	14.4	-
71 12	Bisutería y joyería	14.8	7.2	10.2	10.0	12.6	-14.9
73 31	Puntas y clavos	10.8	7.2	9.2	10.7	12.0	11.1
17 04	Prod. confitería sin cacao	2.8	3.0	8.8	9.7	11.5	310.7
88 03	Partes y piezas sueltas aerostatos o aerodinámicos	4.4	4.2	19.1	13.7	11.1	152.3
73 08	Desbastes en rollo p/ chapas de hierro o acero	0.5	1.8	-	-	10.9	2080.0
20 02 31	Tomates pelados	-	-	3.9	7.6	9.9	-
69 08	Baldosas, adoquines p/ pav. y revestimiento	3.0	5.0	4.5	7.3	9.9	230.0
20 06	Frutas preparadas o conservadas	1.5	1.4	1.7	1.5	3.8	553.3
69 13	Objetos de cerámica	8.2	10.4	12.3	11.4	9.3	6.9
32 07 40	Pigmentos a base de óxido de titanio	6.4	4.5	8.8	12.7	9.0	57.9
84 45	Maquinas herramientas	23.4	26.7	21.4	21.4	8.8	-62.4
58 02 71	Alfombras de seda, borra de seda, fibras sintéticas, lana, pelos	-	-	0.5	2.2	8.4	-
28 25	Óxido de titanio	1.1	1.8	4.2	7.0	8.2	645.5
13 03	Jugos y extractos vegetales	6.3	8.1	6.3	9.0	7.5	19.0
20 07	Jugos de frutas	1.6	1.1	4.0	6.8	7.1	343.8
82 05	Útiles intercambios p/ maq. herramienta o de mano	1.5	2.4	3.6	15.5	6.9	360.0
22 06	Sangría	9.7	11.1	3.4	11.0	6.8	-29.9
73 38	Art. de uso doméstico y de higiene p/ fregar, lustrar, de hierro o de acero	15.2	1.9	3.9	7.8	6.8	-55.3
94 01	Sillas, otros asientos, incl. transformables en camas	7.9	5.8	7.3	7.1	6.7	-15.2
85 19	Aparatos y material para corte	1.8	3.8	5.3	5.9	6.5	71.1
09 04 60	Pimientos triturados o molidos	-	-	5.5	2.7	6.5	-
97 06	Art. y artefactos p/ juegos al aire libre	3.0	2.8	3.3	6.1	6.3	110.0
22 09 81	Cañac, brandies y similares	6.5	8.6	11.8	6.3	6.3	-3.1
68 02	Manufacturas de piedra de talla o de construcción	3.3	-	-	2.8	6.3	2000.0
22 05 11	Vinos de Jerez	8.2	11.2	5.6	6.3	6.1	-25.6
A)	Total parcial	836.8	718.8	983.8	948.0	1005.9	20.2
B)	Total exportación	1267.1	1086.6	1356.4	1321.6	1417.9	11.9
% A/B		66.0	66.2	72.5	71.7	70.9	

inferior al alcanzado en 1979. Ello indica lo difícil que es recuperar el terreno perdido en el mercado americano. Han sido necesarios cuatro años de esfuerzos y una coyuntura muy favorable para volver a la situación del año 1979. Es de esperar que los fabricantes españoles de zapatos hayan sacado las consecuencias de la difícil experiencia pasada. El calzado con suela de cuero constituye, con 237.600.000 dólares, la base de nuestras exportaciones de calzado, seguido por el zapato con suela de caucho, con 20.800.000 dólares. El precio medio del par exportado a los Estados Unidos, como puede apreciarse en el cuadro número 7, ha sido en 1983 de 9,28 dólares por par, cifra algo inferior a la de los dos últimos años, lo que indica que los fabricantes españoles están manteniendo sus precios en dólares y en consecuencia beneficiándose de la apreciación del dólar.

El capítulo 73, los **productos siderúrgicos**, ha pasado al segundo puesto en el ranking de la exportación española a los Estados Unidos. Sin embargo, se ha recuperado algo respecto a 1982—ha pasado de 255.300.000 dólares a 260.800.000 dólares—reflejando no solo los efectos de la recuperación de la economía americana, sino también la clarificación acaecida en las medidas proteccionistas establecidas por la Administración americana. Su futuro está muy ligado a las posibles nuevas medidas proteccionistas por las que la industria siderúrgica americana viene clamando en este año electoral.

Dentro del capítulo han experimentado incrementos las chapas, barras, chapas magnéticas, puntas y

clavos, y desbastes. Por el contrario, han disminuido las exportaciones de perfiles, aceros aleados, tubos, cables y trenzas de alambre.

El siguiente capítulo de la exportación a los Estados Unidos es el 20, **preparados de lugumbres, hortalizas, frutas**, con 127.100.000 dólares, que se ha mantenido prácticamente al mismo nivel que el alcanzado en 1982. El principal componente de este capítulo viene constituido por las alcaparras y aceitunas, que aunque son el segundo producto de la exportación han registrado un importante descenso respecto al año anterior, ya que solo han alcanzado 68.800.000 dólares, frente a los 81.700,00 de 1982. Otros componentes importantes del grupo son las conservas de pimiento, tomates pelados, frutas preparados o en conserva, y jugos de frutas.

En el cuadro número 8 se recoge, según datos del Departamento de Comercio de los Estados Unidos, el valor por galón de las exportaciones de aceitunas a los Estados Unidos.

La **maquinaria**, capítulo 84, ha experimentado un fuerte descenso en 1983. Las exportaciones han pasado de 144.500.000 dólares en 1982 a solo 93.000.000 el año pasado, debido, en parte, a que la inversión privada ha sido durante 1983 el componente más débil de la recuperación americana. Sin embargo, las expectativas para 1984 son bastante mejores, ya que la utilización de la capacidad productiva se encuentra ya en el 80% y los empresarios están acelerando sus planes de inversión. Como consecuencia de la débil pulsación de la demanda, los principales

CUADRO N° 7

**EXPORTACION DE CALZADO
A LOS ESTADOS UNIDOS**

Año	Cantidad de pares	Valor en millones de \$	Precio medio (\$/ par)
1979	27 420 741	277 9	10 13
1980	17 371 764	161 6	9 30
1981	20 726 325	210 2	10 14
1982	23 784 878	235 2	9 89
1983	28 376 391	263 3	9 28

CUADRO N° 8

**EXPORTACIONES DE ACEITUNAS
A LOS ESTADOS UNIDOS**

Año	Cantidad (galones)	Valor CIF (millones \$)	Valor (\$/galón)
1979	13 300 594	69 1	5 19
1980	13 371 200	71 8	5 37
1981	13 324 094	69 1	5 19
1982	15 981 843	95 4	5 97
1983	16 657 567	79 7	4 78

(Estadísticas U.S. Department of Commerce)

CUADRO N° 9

IMPORTACIONES NORTEAMERICANAS DE JEREZ

AÑO	CANTIDAD (hectolitros)			VALOR (millones de dólares)		
	A = Importación directa de España	B = Importación total	% A/B	A = Importación directa de España	B = Importación total	% A/B
1979	38 125	93 645	40 7	8 2	33 0	24 8
1980	53 751	92 538	58 1	11 2	37 4	29 9
1981	29 650	91 924	32 3	5 6	35 5	15 8
1982	32 288	80 822	39 9	6 3	26 1	24 1
1983	34 364	81 583	42 1	6 1	26 2	23 3

componentes del grupo, máquinas automáticas para el tratamiento de la información y la máquina herramienta ha visto reducidas drásticamente sus exportaciones.

El siguiente capítulo, importante en la exportación española a los Estados Unidos, es el 40, **manufacturas de caucho**, que con 54.100.000 dólares está constituido casi exclusivamente por los neumáticos, que aunque se han recuperado en 1983, al alcanzar 49.500.000 dólares, debido al resurgir de la industria automovilística americana, todavía se encuentran en un nivel inferior al 93,7% al de 1978.

El capítulo 22, **bebidas alcohólicas**, aunque ha registrado un aumento respecto a 1982 al llegar a los 53.200.000 dólares, recoge un conjunto de productos

que han experimentado una evolución muy diferente. El principal componente del grupo lo constituyen los **vinos espumosos**, que han visto crecer sus exportaciones rápidamente pasando del 1.000.000 dólares en 1979 a los 20.500.000 en 1983. Frente a este crecimiento aparecen los descensos de la sangría, brandies y similares, y vinos de Jerez (en el cuadro número 9 se estudian las importaciones americanas directas de vinos de Jerez, tanto en valor como en cantidad).

Los restantes capítulos tienen, como es lógico, mucha menos importancia, destacando los **productos químicos orgánicos** (41.100.000 dólares), **navegación aérea** (29.400.000 dólares) y **grasas y aceites** (24.100.000 dólares).

FROM THE NATIONAL TOURIST OFFICE OF SPAIN

How to Visit a Dolmen

IT'S NOT A TROLL OR A PASTRY BUT A 3000 PLUS YEAR-OLD BURIAL SITE

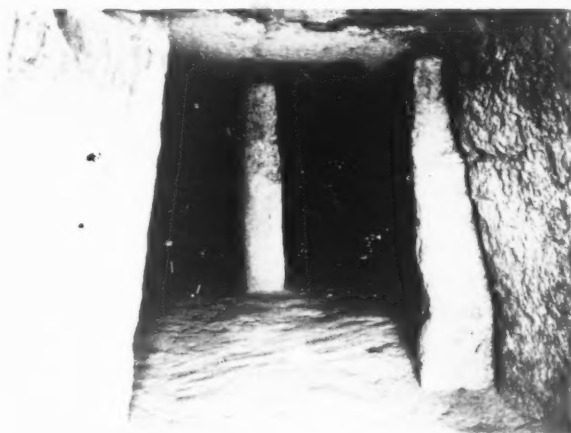
By CHARLES OCHELTREE

To all but serious students of ancient history and archeologists, words like "dolmen" and "cromlech" could mean anything from a fearsome green troll to a flaky Bavarian pastry. But to Antequera, a bustling town an hour's drive north of Málaga and the Mediterranean, they mean tourist dollars. You see, more than the town's Moorish castle or Mudejar churches, it is Antequera's dolmens that keep the tourists coming.

To set the record straight, a dolmen or cromlech is a prehistoric structure, usually built of enormous rock slabs and frequently used as an individual or communal burial site. On the surface, burial sites don't sound particularly exciting—until, of course, you stop to think that some, like these in Antequera, are from 3000 to 4500 years old, predating the birth of Christ by a mere millenium or two, and that the weight and size of the slabs used in their construction are of colossal proportions. How they were even built is still a mystery, especially considering that the builders had no wheels or any other such "modern" devices to aid in the placement of the slabs.

Antequera has three dolmens (*dolmenes* in Spanish), situated right on the edge of town, all of which are open to the public. Collectively they constitute a treasure of prehistoric culture matched by few others.

About 800 meters from town on the road to Granada are the dolmens of Menga and Viera. The



Entrance to the Menga dolmen in Antequera.

former is the largest and best preserved "conical" dolmen in the world, affectionately called the "Parthenon" or the "Cathedral" of megalithic monuments. It dates from 2500 B.C. A gallery of ten huge blocks leads to an interior chamber formed by seven gigantic monoliths, covered by five others, the last of which weighs 180 tons — or 360,000 pounds if you prefer.

Adjacent to Menga is Viera. You enter this dolmen by a passageway some 60 feet in length which leads to a burial chamber shaped like a cube, through which a tunnel was carved by grave robbers centuries ago. Although it is not as impressive as Menga, the skill it took to fit together perfectly a variety of immense blocks and monoliths of different shapes and sizes is readily apparent.

Admission to both these dolmens is less than 25 cents. Hours are from 10 a.m. to 1:30 p.m. and 4:30 to 6:00 p.m. daily and weekends.

On the same road, two kilometers from Menga and Viera, is the dolmen of the Romeral, perhaps the most

(CONTINUED ON PAGE 18)

Very soon now, there'll be a little
bit of Goya in every good cook's kitchen.

Maybe they'll start with our elegant salad makers. Go on next to our beans, over to our nectars, hello rice, black bean soup. One after another, exploring the wonderful variety of tastes that say

Goya—over 700 fine foods from all over the world that good cooks all over America are discovering every day. Enriching their cooking and the good people who carry our line.



If it's **GOYA**
it has to be good.

Current Legislation in Spain

A SUMMARY OF LEGISLATION PUBLISHED BETWEEN MARCH 1st AND APRIL 30th, 1984

NOTE: Official State Gazette (Boletín Oficial del Estado)

GENERAL

1. **Ministry of Economy and Finance.** Law 4/84 of Mar. 9, 1984 amending Article 338 of Criminal Procedure Law, which in its new text allows the destruction of tools, weapons, and other objects which have been confiscated (OSG Mar. 13, 1984).

2. **Office of the Head of State.** Organic Law 7/84 of Mar. 26, 1984 regulating the right to asylum and the conditions of the refugees (OSG Mar. 27, 1984).

This Organic Law regulates both subjects in two different titles. In the first title it regulates the purposes of the asylum, the protection, the recognition, and the competences, which is attributed to the Government. In the second title it regulates the "condition of the refugees," which is based in International Law (Statute of Geneva of July 28, 1951 and Protocol of New York of Jan. 31, 1967).

3. **Office of the Head of State.** Organic Law 2/84 of Mar. 26, 1984 regulating the right to rectification (OSG Mar. 27, 1984).

This Organic Law establishes that any individual or entity has the right to rectify the information appearing in any kind of means of social communication which may be harmful or injurious to them. It also establishes the procedure to follow in order to obtain the rectification.

4. **Office of the Head of State.** Organic Law 3/84 of Mar. 26, 1984 regulating the legislation initiated by popular action (OSG Mar. 27, 1984).

This law establishes the procedure to follow in those cases of legislation initiated by popular action. This procedure may be synthesized as follows:—The Bill is presented, together with the names of the members of the commission making the proposal, before the Congress of Deputies. —The Congress may accept or reject

the Bill. In the latter case it would be possible to file an appeal before the Constitutional Court.

—Once the Bill has been accepted, it will be necessary to obtain 500,000 signatures, which must be authenticated according to the system established by the law.

5. **Office of the Head of State.** Law 6/84 of Mar. 31, 1984 amending certain articles of the Civil and Commercial Codes, Mortgage Laws, Criminal Procedure Law, and the Business Corporation Act, on interdiction (OSG April 3, 1984).

6. **Presidency of the Government.** Royal Decree 66/84 of Mar. 28, 1984 on structure and functions of the State Security bodies (OSG April 4, 1984).

7. **Office of the Head of State.** Correction of errors in Organic Law 2/84 of Mar. 26, 1984 regulating the right to rectification (OSG April 14, 1984). (see No. 3 above).

8. **Office of the Head of State.** Law 9/84 of April 12, 1984 on Spain's subscription of shares in Banco Internacional de Reconstrucción y Fomento (OSG April 17, 1984).

ADMINISTRATIVE

1. **Ministry of Transportation, Tourism and Communications.** Royal Decree 108/84 of Jan. 25, 1984 extending the term established by Royal Decrees 1286/76, 144/78, 2173/79, and 871/81 in order that the shipping companies may obtain the benefits included in the preferential investment sector (OSG Mar. 4, 1984).

2. **Presidency of the Government.** Royal Decree 3463/83 (amended) of Sept. 28, 1983 amending certain articles of the Traffic Code (OSG Mar. 7, 1984).

3. **Ministry of Culture.** Order of Mar. 3, 1984 developing certain points of Order of Jan. 14, 1984 on selling,

distribution and public showing of individual material (OSG Mar. 6, 1984).

4. **Ministry of Transportation, Tourism and Communications.** Corrections of errors in Order of Jan. 23, 1984 developing Royal Decree 1294/82 of July 9, 1982 establishing the Postal Code for the classification of correspondence (OSG Mar. 7, 1984).

5. **Ministry of Justice.** Circular of Mar. 4, 1984 from the General Directorate of Registries and Notaries on issuance of photocopies of literal certificates of the Civil Register (OSG Mar. 8, 1984).

6. **Ministry of Justice.** Corrections of errors in Royal Decree 334/84 of Feb. 8, 1984 establishing several Trial and District Courts (OSG Mar. 9, 1984).

7. **Ministry of Industry and Energy.** Royal Decree 3566/83 of Dec. 28, 1983 extending to Dec. 31, 1984 the qualification of certain zones and centers of preferential industrial location (OSG Mar. 16, 1984).

8. **Presidency of the Government.** Order of Mar. 16, 1984 on incompatibilities of top-level officials in connection with Law 25/83 of Dec. 26, 1983 (OSG Mar. 21, 1984).

9. **Ministry of Transportation, Tourism and Communications.** Order of Mar. 12, 1984 amending the present indemnity limit established by Royal Decree 1691/80 of June 13, 1980 in case of overlooking in a regular air flight (OSG Mar. 21, 1984).

10. **Ministry of Economy and Finance.** Order of Mar. 23, 1984 enacting regulations for the rectification of the electoral census of residents (present or absent) of legal age, with reference to Mar. 31, 1984 (OSG Mar. 24, 1984).

11. **Ministry of Justice.** Royal Decree 589/84 of Feb. 8, 1984 on Religious Organizations of the Catholic Church

(OSG Mar. 28, 1984).

12. Cortes Generales. Resolution of Dec. 27, 1983 of the Plenary Session of the Congress of Deputies ordering the publication of the ratification act of Royal Decree-Law 8/83 of Nov. 30, 1983 on Reconversion and Reindustrialization (OSG April 7, 1984).

13. Presidency of the Government. Correction of errors in Royal Decree 3463/83 of Sept. 28, 1983 amending certain articles of the Traffic Code (OSG April 7, 1984; see No. 2 above).

14. Ministry of the Interior. Order of Mar. 26, 1984 amending the temporary dispositions of Order of Oct. 7, 1983 on replacement of permits for recreational and guiding activities (OSG April 9, 1984).

15. Ministry of Justice. Order of April 6, 1984 approving use of photocopy or any other similar system for the issuance of literal certificates of the Civil Register (OSG April 17, 1984).

16. Ministry of Justice. Resolution of April 9, 1984 of the General Directorate of Registries and Notaries, on competence in the matters of registries and public documents (OSG April 17, 1984).

17. Ministry of Justice. Royal Decree 787/84 of Mar. 28, 1984 of April 12 on partial reform of the Penitentiary Regulations (OSG April 25, 1984).

18. Ministry of Health. Resolution of April 11, 1984 of the General Directorate of Pharmacy and Health Products updating the advertising relation of pharmaceutical specialties (OSG April 25, 1984).

FISCAL

1. Ministry of Economy and Finance. Circular No. 901 of Feb. 13, 1984 of the General Directorate of Customs and Special Taxes on assignment of statistical codes (OSG Mar. 1, 1984).

2. Ministry of Economy and Finance. Royal Decree 432/84 of Feb. 22, 1984 establishing import quotas, free of duties, covering the importation of the goods indicated in the annex to this Royal Decree (OSG Mar. 5, 1984).

3. Ministry of Economy and Finance. Royal Decree 433/84 of Feb. 22, 1984 establishing customs quotas, free of duties, covering the importation of those goods indicated in the annex to this Royal Decree (OSG Mar. 5, 1984).

4. Ministry of Economy and Finance. Correction of errors in Order of Jan. 4, 1984 amending Order of July 5, 1983, amplifying the maximum quantity to import in 1983 to be charged to customs quotas, free of duties, of motors, shift boxes, sheet elements, and side groups of automobile bodies (OSG Mar. 7, 1984).

5. Ministry of Economy and Finance. Order of Feb. 6, 1984 on maximum quantity to import of coal, free of duties, in 1984 (OSG Mar. 6, 1984).

6. Ministry of Economy and Finance. Royal Decree 483/84 of Feb. 29, 1984 extending for three months the suspension of customs duties on the importation of methyl alcohol, item 2904 A1 of the Customs Tariff (OSG Mar. 8, 1984).

7. Ministry of Economy and Finance. Royal Decree 3560/83 of Dec. 28, 1983 revising the reductions of the Countervailing Tax *Impuesto de Compensación de Tránsito Interactivo* on importation of certain merchandises (OSG Mar. 9, 1984).

8. Ministry of Economy and Finance. Royal Decree 3561/83 of Dec. 28, 1983 revising the reduction of the Countervailing Tax on importation of certain coal *carbón coqueabil* (OSG Mar. 9, 1984).

9. Ministry of Economy and Finance. Resolution of Feb. 17, 1984 of the General Directorate of Taxes on global declarations regarding income obtained by non-residents without a permanent establishment.

This Resolution establishes the possibility for those non-residents who have obtained income in Spain from dividends or interests, to present a three-month declaration provided the following requirements are fulfilled:

- The bonds that produce the dividends should be quoted in the Spanish Stock Exchanges or be issued in foreign markets.
- The payer will be assumed to be the representative of the taxpayer.
- The net amount resulting after paying the tax will be transferred abroad.

10. Presidency of the Government. Royal Decree 489/84 of Feb. 29, 1984 amending the Countervailing Tax *Impuesto de Compensación* applicable to the importation of barley (OSG Mar. 10, 1984).

11. Ministry of Economy and Finance. Order of Mar. 13, 1984 devel-

oping the system of singular objective estimation for income tax and payment in installments.

This Order develops Royal Decree 2933/83 of Oct. 13, 1983 regulating the System of singular objective estimation for the Individual Income Tax.

The system of singular objective estimates will be applied to business, professional, artistic and sports activities carried on by individuals. Its most important characteristics are that the system will be applicable to very low incomes; it will be voluntary, so it will only be applied at the request of the individual; and that the individual who chooses this system will have the tax benefit established in the general system.

12. Ministry of Economy and Finance. Royal Decree 519/84 of Feb. 8, 1984 using the authorization established in Article 198 of the Royal Decree 263/82 of Oct. 15, 1982 approving the Corporate Tax Regulations.

This Royal Decree extends the effectiveness for one additional year of Royal Decree 247/81 of Feb. 5, 1981, which established the tax rebate financing activities for a period of three years which ending Dec. 31, 1983 (OSG Mar. 19, 1984).

13. Ministry of Economy and Finance. Resolution of Mar. 12, 1984 of the General Directorate of Taxation, amending the declaration form applicable to the income obtained by non-resident without intervention of a permanent establishment (OSG Mar. 23, 1984).

14. Ministry of Economy and Finance. Order of Mar. 13, 1984 establishing disposal conditions of the account "Updating General Budget Law for 1983" for certain financing institutions (OSG Mar. 28, 1984).

15. Ministry of Economy and Finance. Resolution of Mar. 27, 1984 of the General Directorate of Taxation on the system of singular objective estimation and payment in installments of the Individual Income Tax (OSG Mar. 29, 1984).

16. Ministry of Economy and Finance. Royal Decree 605/84 of Mar. 26, 1984 suspending the application of the Countervailing Tax on importation of ammonia for the manufacture of fertilizers (OSG Mar. 29, 1984).

17. Ministry of Economy and Finance. Circular No. 903 of Mar. 15, 1984 of the General Directorate of Cus-

CURRENT LEGISLATION IN SPAIN

toms and Special Taxes, on the use of the declarations-liquidations models E.4 and E.5 (OSG Mar. 30, 1984).

18. Ministry of Economy and Finance. Circular No. 905 of Mar. 23, 1984 of the General Directorate of Customs and Special Taxes, adding a new paragraph (4 bis) to Circular No. 620 on supplying passenger vessels with stop-over in a foreign harbor (OSG April 4, 1984).

19. Ministry of Economy and Finance. Correction of errors in Resolution of Feb. 17, 1984 of the General Directorate of Taxes, on global declarations regarding the incomes obtained without the intervention of a permanent establishment by non-residents (OSG April 5, 1984).

20. Ministry of Economy and Finance. Order of Mar. 15, 1984 abolishing the List of Criteria for Customs Classification established by Order of March 30, 1967, and approving a new List of Criteria (OSG April 6, 1984).

21. Ministry of Economy and Finance. Circular No. 902 of March 1984 of the General Directorate of Customs and Special Taxes, amending paragraph 4.2.5 of Circular 604, on final liquidation of regulating duties (OSG April 6, 1984).

22. Ministry of Economy and Finance. Correction of errors in Resolution of Mar. 12, 1984 of the General Directorate of Taxation, amending the declaration form applicable to the incomes obtained by non-residents without permanent establishment (OSG April 9, 1984; see No. 11 above).

23. Ministry of Economy and Finance. Order of Mar. 28, 1984 amending paragraph C) of Article 138 of the Customs Regulations in connection with the temporary importation of packing (OSG April 9, 1984).

24. Ministry of Economy and Finance. Order of Mar. 26, 1984 approving the declaration form for the Income Corporation Tax for fiscal years starting Jan. 1, 1983 (OSG April 12, 1984).

25. Ministry of Economy and Finance. Circular 904 of Mar. 15, 1984 of the General Directorate of Customs and Special Taxes on control of exportations with the benefit of "exportation restoration" (OSG April 13, 1984).

26. Ministry of Economy and Fi-

nance. Correction of errors in Resolution of Mar. 27, 1984 of the General Directorate of Taxes on system of singular objective estimation and payment in installments of the Individual Income Tax (OSG April 13, 1984; see No. 15 above).

27. Office of the Head of State. Royal Decree-Law 2/84 of Mar. 28, 1984 on filing of returns of the Individual Income Tax. (OSG April 14, 1984).

This Royal Decree-Law establishes that the individuals who have received gross income of less than 500,000 pesetas, provided that it came from personal labor or capital, will have no obligation to file an Individual Income Tax return.

COMMERCIAL

1. Ministry of Economy and Finance. Order of Feb. 17, 1984 on interest rates and cash availability coefficients of the syndicate meetings of the stock exchanges as intermediary financial institutions (OSG Mar. 5, 1984).

2. Ministry of Economy and Finance. Order of Feb. 10, 1984 adapting the mining companies to the General Accounting Plan (OSG Mar. 6, 1984).

3. Ministry of Economy and Finance. Order of Feb. 10, 1984, approving the adaptation of the General Accounting Plan to the Sporting Federations and Organizations (OSG Mar. 7, 1984).

4. Ministry of Economy and Finance. Order of Feb. 10, 1984 approving the adaptation of the General Accounting Plan to the toy industry (OSG Mar. 9, 1984).

5. Ministry of Economy and Finance. Correction of errors in Royal Decree 360/84 of Feb. 8, 1984 regulating the specially regulated loan coefficient of the savings institutions (OSG Mar. 10, 1984).

6. Ministry of Economy and Finance. Resolution of Feb. 20, 1984 of the General Directorate of Exportation amending errors in Resolution of Jan. 25, 1984 establishing the list of products subject to exportation control and inspection (SOIVRE). (OSG Mar. 10, 1984).

7. Ministry of Economy and Finance. Order of Feb. 29, 1984 abolishing the limitations to the obtaining of local credit for companies having more than 25% foreign participation (OSG Mar.

12, 1984).

8. Ministry of Economy and Finance. Royal Decree 509/84 of Feb. 22, 1984 abolishing, as of Jan. 1, 1984, the use of fractions of pesetas in commercial documents and in those having liquidation nature (OSG Mar. 15, 1984).

9. Ministry of Justice. Royal Decree 604/84 of Feb. 8, 1984 amending Royal Decree 1193/66 of May 12, 1966 on complementary dispositions of Law 50/65 on sale in installments of chat-tels (OSG Mar. 29, 1984).

10. Ministry of Economy and Finance. Resolution of Mar. 26, 1984 of the General Directorate of Exportation controlling the exportation of coral (OSG Mar. 31, 1984).

INTERNATIONAL

1. Ministry of Foreign Affairs. Protocol of Adherence of Rumania to the General Agreement on Tariff Duties signed in Geneva on Oct. 15, 1971 (OSG Mar. 10, 1984).

2. Office of the Head of State. Instrument of Ratification of Dec. 16, 1983 of the Convention for the Elimination of Discrimination against Women, signed in New York on Dec. 18, 1979 (OSG Mar. 21, 1984).

3. Office of the Head of State. Instrument of Ratification of Jan. 27, 1984 of the Provisional European Agreement on Social Securities Systems, regarding elderly, handicapped and survivors, and its Additional Protocol signed in Paris Dec. 14, 1953 (OSG Mar. 21, 1984).

4. Ministry of Foreign Affairs. Agreement of Dec. 23, 1971, signed in Madrid, among the governments of Spain, France, the Federal Republic of Germany, and Holland concerning the "Airbus A-300 B" (OSG Mar. 22, 1984).

5. Ministry of Foreign Affairs. Agreement of Sept. 28, 1981 between the governments of the Federal Republic of Germany, France, the United Kingdom and Spain regarding the program "Airbus A-310," signed in London (OSG Mar. 22, 1984).

6. Office of the Head of State. Instrument of Ratification of Jan. 27, 1984 of the International Coffee Agreement, signed in London on Sept. 16, 1982 (OSG Mar. 26, 1984).

7. Office of the Head of State. Instru-

Let us solve your problems

Banco de Vizcaya speaks the language of your business.

INTERNATIONAL BANKING DIVISION

Paseo de la Castellana, 110-Madrid-6
Tel.: 4112062 - Telex 22571-42382
Swift: VIZCESMM

INTERNATIONAL BRANCH NETWORK

New York Branch 400 Park Avenue, New York 10022
Tel.: (212) 826-1540; Telex: 66199
Swift: VIZC US 33

San Francisco Agency 650 California Street
San Francisco, California 94108
Tel.: (415) 392-2530; Telex: 67534

Miami Agency 2100 Ponce de Leon Boulevard
Miami, Florida 33134
Tel.: (305) 442-9882; Telex: 441540

Nassau Branch c/o Roywest Banking Corp. Ltd.
P.O. Box 4889 - BAHAMAS

London Branch 58-60 Moorgate
London EC2R 6BN
Tel.: 1-920-0121; Telex: 893461/2

Paris Branch 15, Avenue Matignon, 75008 - Paris
Tel. (1) 359 55 09; Telex: 64 14 23/5

Amsterdam Branch Herengracht 479
1001 JC Amsterdam
Tel. (020) 26 30 33
Telex: 13582 - 16288

Bahrain O.B.U. Kanoo Tower (Phase III)
4th floor - Tujard Rd.
Manama - State of Bahrain
Tels.: 25 32 61, 25 33 40
Telex: 9060 Bancy

AFFILIATE BANKS IN THE UNITED STATES

Banco Comercial de Mayagüez
Ayda. Ponce de León, Esquina del Parque
Santurce, Puerto Rico 00936
Tel.: (809) 624-3616; Telex: 3654259

Banquest National Bank of Albuquerque
1418 Carlisle N.E.
Albuquerque, New Mexico 87190
Tel.: (505) 265-5511

First National Bank of Santa Fe
On the Plaza
Santa Fe, New Mexico 87501
Tel.: (505) 988-7111

First State Bank of Taos
116-120 W. Plaza
Taos, New Mexico 87571
Tel.: (505) 758-4242

REPRESENTATIVE OFFICES

Argentina Avda. Corrientes, 311
Oficina, 101
Buenos Aires 1043
Tels. (541) 361 20 65 - 361 21 15
Telex: 17739

Brazil Rua do Carmo, 11
Andar, 19
Rio de Janeiro - RJ
Tels. (5521) Area Code 2427076 -
2428606
Telex: 2132591

Chile Paseo de Ahumada, 254-3º
Oficina, 31
Santiago de Chile
Tel. (562) Area Code 726641
Telex: 40329 Baviz

México Avda. Juárez, 4
México, 1 D.F.
Tel. (525) 585 00 30
Telex: 1777460

Venezuela Avda. Francisco Miranda
Edificio Torre Europa
Oficinas 7 y 8 - Caracas
Tels. (582) 33 43 53 - 33 25 08
Telex: 23532

Germany Friedensstrasse, 11
6000 Frankfurt/Main, 1
Tel. (611) 23 32 91
Telex: 413215

Japan Yurakucho Denki Bldg. 652
7-1, 1 Chome - Yurakucho
Chiyodo-ku
Tokyo 100
Tel. (03) 287-0791
Telex: J 29472

Hong-kong 2,114 Connaught Center
Central Hong-Kong
Tel. 5 - 21 63 49
Telex: 62898

Italy Via Alberico Albricci, 9
1* Interno D. Scala A
Milan 20122
Tel. 875 525 - 867 661



Banco de Vizcaya

Gran Via, 1 - Bilbao - Spain. Tel: (94) 416 64 00 Telex: 32040

ments of Ratification of Protocol 1981, for the first extension of the Food Help Agreement of 1980, signed in London on Mar. 6, 1981, of Protocol 1983 for the seventh extension of the Agreement on the Commerce of Wheat, signed in London on Dec. 1, 1982, and the Protocol 1983 for the second extension of the Food Help Agreement 1980, signed in London on Dec. 1, 1982 (OSG Mar. 26, 1984).

8. Ministry of Foreign Affairs. Protocol of Dec. 12, 1980 to the Annex to the Agreement between Spain and the European Economic Community in connection with the adhesion of the Republic of Greece. Signed in Brussels (OSG Mar. 26, 1984).

9. Ministry of Foreign Affairs. Protocol of Agreement of Jan. 2, 1984 for the creation of a Mutual Fund of Food Help between the King of Spain and the Republic of Senegal and annexes. Signed in Dakar. (OSG April 3, 1984).

10. Ministry of Foreign Affairs. Commercial Agreement of Dec. 16, 1980 between the Government of Spain and the Kingdom of Jordan, signed in Madrid (OSG April 5, 1984).

11. Ministry of Foreign Affairs. Supplementary Agreement of Jan. 14, 1982 to the Spanish-Paraguayan Agreement of Social Cooperation for the development of a labor-social program in Paraguay, signed in Asuncion (OSG April 6, 1984).

12. Office of the Head of State. Instrument of Adherence of Feb. 29, 1984 to the International Cocoa Agreement, signed in Geneva on Nov. 19, 1980 (OSG April 9, 1984).

13. Ministry of Foreign Affairs. Correction of errors in Agreement of May 7, 1981 between Spain and Portugal on traveling between the two countries, signed in Madrid (OSG April 17, 1984).

LABOR

1. Presidency of the Government. Ministry of Labor and Social Security. Royal Decree 513/84 regulating the Rural Employment Plan for 1984 (OSG Mar. 16, 1984).

2. Presidency of the Government. Order of Mar. 26, 1984 developing Royal Decree 1167/83 of April 27, 1983 including, under the unemployment benefits system, all temporary personnel of the Public Administration, as well as civil servants (OSG

Mar. 30, 1984).

3. Ministry of Labor and Social Security. Order of Mar. 23, 1984 regulating the Qualifications, Coordination and Enforcement Commissions of the Rural Employment Plan (OSG Mar. 31, 1984 (See No. 1 above)).

4. Ministry of Labor and Social Security. Order of April 2, 1984 on cooperation between the Social Security and the Employers Mutual Associations on labor accidents (OSG April 12, 1984).

CONSTITUTIONAL COURT

1. Petition for declaration of unconstitutionality No. 333/83. Sentence No. 26/84 of Feb. 24, 1984 (OSG Mar. 9, 1984).

This sentence establishes that Articles 6 and 7 of Law 40/79 of Dec. 10, 1979 regulating the Systems of Exchange Controls are constitutional in relation to Articles 25.1 and 81 of the Spanish Constitution.

2. Correction of errors in the texts of the sentences of the Constitutional Court published in the Official State Gazette No. 42 of Feb. 18, 1984 (OSG Mar. 9, 1984).

3. Positive Conflict of Jurisdiction number 67/84 filed by the Basque Government, in connection with certain articles of Royal Decree 2621/83 of Sept. 29, 1983 (OSG Mar. 10, 1984).

4. Appeal on constitutional grounds No. 145/84 filed by the Basque Government against certain articles of Royal Decree-Law 8/83 of Nov. 30, 1983 on reconversion and reindustrialization (OSG Mar. 26, 1984).

5. Appeal on constitutional grounds No. 119/84 filed by 53 Senators against certain articles of Law 26/83 of Nov. 25, 1983 of the Basque Parliament on "Relations between the Joint Institutions of the Autonomous Communities and the Institutions of the Historical Territories" (OSG Mar. 26, 1984).

6. Previous appeal on constitutional grounds No. 180/84 filed by Mr. Jose Maria Ruiz Gallardon on behalf of 53 deputies against the Organic Law of Education (LODE) (OSG Mar. 26, 1984).

7. Appeal on constitutional grounds No. 175/84 filed by the Executive Council of the Generalitat of Catalonia against Law 24/83 of Dec. 21, 1983 on urgent measures on improvement of

the financial situation and regulation of the Local Tax Administrations (OSG April 2, 1984).

8. Appeal on constitutional grounds No. 707/83 filed by the President of the Government against certain articles of Law 15/83 of July 14, 1983 of the Parliament of Catalonia on hygiene and food control (OSG April 2, 1984).

10. Appeal on constitutional grounds No. 194/84 filed by the Basque Government against Law 14/83 of Dec. 12, 1983 on legal assistance to individuals arrested or jailed, and amending articles 570 and 527 of the Criminal Procedure Law (OSG April 11, 1984).

11. Appeal on constitutional grounds No. 187/84 filed by the Basque Government against certain articles of Law 24/83 of Dec. 21, 1983 on urgent measures on improvement of the financial situation and regulation of the Local Tax Administration (OSG April 11, 1984).

12. Appeal on constitutional grounds No. 208/84 filed by the *Defensor del Pueblo* (People's Defender) against a certain clause of Law 44/83 of Dec. 28, 1983 approving the General Budget of the State for the fiscal year 1984 (OSG April 17, 1984).

13. Appeal on constitutional grounds No. 209/84 filed by the Executive Council of the Generalitat of Catalonia against the first final disposition of Law 30/83 of Dec. 28, 1983, regulating the transfer of certain State taxes to the Autonomous Communities (OSG April 17, 1984).

14. Appeal on constitutional grounds No. 223/84, filed by the Basque Government against certain Articles of Law 44/83 of Dec. 28, 1983 approving the General Budget of the State for the fiscal year 1984 (OSG April 17, 1984).

15. Positive Conflict of Jurisdiction No. 221, 1984, filed by the President of the Government in connection with Article 10.4 of Decree 459/83 of Oct. 18, 1983 of the Generalitat of Catalonia, regulating the violations and penalties regarding the commercialization of goods and products (OSG April 17, 1984).

16. Appeal on Constitutional Court No. 191/84 filed by Mr. Jose Maria Ruiz-Gallardon on behalf of 53 deputies against title II of Law 24/83 of Dec. 21, 1983, on urgent measures on improvement of the financial situation and regulation of the Local Tax Administration (OSG April 30, 1984).

New York Delegation Visits Four Spanish Cities to Inform Exporters on the U.S. Market

In a project organized and led by Rafael Aguilar, Commercial Counselor of Spain in New York, a delegation visited San Sebastián, Barcelona, Valencia and Madrid in April to participate in seminars to encourage Spanish exporters to participate in the U.S. markets. The seminars, which were attended by large numbers of Spanish businessmen, were sponsored by the Instituto Nacional de Fomento de la Exportación (INFE) and organized by the chambers of commerce and industry in the cities visited.

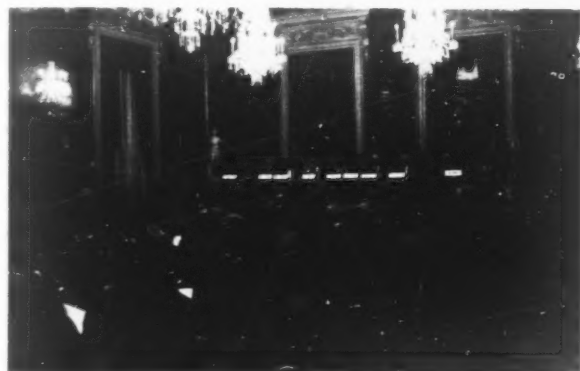
Besides Mr. Aguilar, the delegation included Chamber President Ricardo Jove, president of Amtraaco Commodities Corporation, importers of wines, cheeses and various other products; Joseph Caragol, president of Joseph Caragol, Inc., importers of food products; Maria del Carmen Foley, vice president of Lloydersen International Ltd., sales and representation in various product lines, including various lines of toys; Miguel Vives, general manager of Control Devices, Inc., the U.S. affiliate of a Spanish company specializing in control and measuring devices; and Rosa Sugranes of Iberia Tiles Corporation.

Among the opinions expressed by the members of the delegation, as summarized by the Spanish publication *El Nuevo Lunes*, were the following:

Mr. Jove: The U.S. buyer has many options and is very demanding. Three fifths of the American public has an income more than is required to cover necessities; that is to say, it has high buying power. The U.S. economy is open to imports, and the United States is probably the country which puts the least restrictions on imports and in which they are the least regulated. The great difficulty for a Spanish company entering this market is the precise adaptation to the market.

Mr. Caragol: Perhaps at first glance the U.S. market is frightening to the Spanish exporter, but it is not a difficult market. It is necessary to group by sectors in order to export to this market, and it is imperative to know the peculiarities of each of the states to which you wish to export. Commercial practices do not differ from those internationally accepted, but the U.S. market is very strict regarding the fulfillment of the terms of delivery as well as the correspondence between the product and the samples submitted. Key elements are the necessity of knowing the control of payment of duties as well as rigorous compliance with sanitary regulations.

Ms. Foley: Marketing and presentation of the product are especially important. The exporter who wishes to export to the United States should dedicate at



Above — The seminar in Barcelona drew a large group of interested Spanish businessmen.



Left — At the Madrid seminar are (L to R) Commercial Counselor Rafael Aguilar, Chamber President Ricardo Jove, and Adrian Piera, President of the Chamber of Commerce and Industry of Madrid.

least 25% of his production to take care of this market. Tags, labels and appearance of the product must be geared as closely as possible to the mentality of demanding consumers such as those of the U.S. The production of catalogs is recommended, as complete as possible, as well as very rigid quality control and the registry of the product or products in question in each of the states to which you plan to export. Very aggressive promotion is required, as well as participation in fairs, although always with contacts previously established.

Mr. Vives said that Spanish products were growing in the U.S. market, and that the Spanish exporter tends to be confused by the complexity of the American market, a confusion which must be dissipated.

Ms. Sugranes spoke on the fiscal aspects of establishing Spanish companies in the United States, which she said was easy. There is no minimum capital, she said, and no obligation that the important management posts be held by Americans. There are no limits on profits and no national accounting requirements, the only obligation being the maintenance of the company minute book. Financial regulation of businesses comes, however, from the private financial institutions, and auditors, while not publicly regulated, are accustomed to the requirements of the financial entities. Credit, she said, is neither granted nor denied on the basis of the size of a business but by the degree of fulfillment of obligations.

News in Brief . . .

Chamber Assists Spanish Foods and Beverages Trade Mission

A trade mission composed of Spanish producers of foodstuffs and beverages and organized by the Chamber of Commerce and Industry of Madrid visited New York and Miami from June 3rd to 15th. In New York, the Chamber cooperated with the Commercial Office of Spain to set up appointments with prospective importers, and Chamber President Ricardo Jove organized a working breakfast for the visitors at the Pinnacle International Club. At the breakfast, each product represented by mission members was discussed and its prospects in the U.S. market analyzed.

The Director of the Trade Mission was José Luis Verdasco del Olmo, Chief of the Foreign Trade Promotion Service of the Madrid Chamber. Companies participating were: Centrales Lecheras Españolas, S.A. (cheeses); Codan, S.A. (industrial pastry); Hijos de Daniel Espuny (Olive oil, gabasse olive oil, sunflower and carthame flours); Internacional de Compañías, S.A. (canned fish: tuna fish, sardines, squid, octopus); Koch, S.A. (babies' dietetic foods); Mantecuerias Arias, S.A. (cheeses); and Destilerias y Crianza del Whisky, S.A. "DYC" (Whisky DYC and whisky spirit).

Spanish TV Interviews Jove on Spanish Sparkling Wines

Ricardo Jove, outgoing President of the Chamber, was interviewed in June by a Spanish television crew for a feature on the success of Spanish sparkling wines in the U.S. market. The emphasis was on the outstanding growth of U.S. imports, which have gone from 160,000 cases in 1980 to more than one million in 1983, with purchases for the first four months of 1984 up 25% over 1983.

Mr. Jove arranged for the crew to photograph one of the wholesale warehouses of Freixenet USA Inc., as well as a retail store, Astor Liquors. The report was transmitted to Madrid by satellite on June 22nd and was seen in Spain on the weekend of June 23rd and 24th.

Containership Agency, Inc. Appoints C. R. Bilella as V.P.

Charles R. Bilella has been named Vice President-Import Sales by Containership Agency, Inc. Mr. Bilella has been with the agency since its founding in 1971 and is a veteran of the steamship business. Among the agency's clients are Italian Line, Neptune Orient Line, Bottacchi Line and Mediterranean Shipping Company.

Cost of Living in Madrid Lower Than Major European and U.S. Cities

The cost of living in Madrid is considerably lower than that in any other major city in Europe, according to a recent study conducted by Business International Corporation, a New York-based worldwide research organization and consultant to multinational corporations.

Using New York City as a base index (100), the survey revealed that the cost of living indices for every one of the 14 key European cities was less than 100, with the lowest index of all being that of Madrid, at 61.

Putting the base index in further perspective, the survey listed Chicago and San Francisco at 102, two points higher than New York, and Los Angeles and Washington D.C. at 99.

The Continent's most expensive locations, the Business International survey indicated, were Oslo at 99, Zurich at 89, and Geneva and Helsinki, 88. Other cities surveyed included Copenhagen and London (78), Stockholm (77), Paris (75), Frankfurt (74), Rome (73), Amsterdam (71) and Brussels (67).

While Europe is a bargain, the good life in Spain is indeed the best bargain on the Continent.

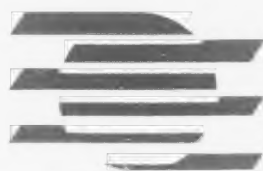
—National Tourist Office of Spain

Spanish Lawyer Joins Windels, Marx, Davies & Ives Program

Antonio Sánchez-Pedreño Kennaird has joined the New York law firm of Windels, Marx, Davies & Ives under the firm's Foreign Lawyer Program for an 8-12 month legal training period. Mr. Sánchez-Pedreño, 25, received his law degree from Madrid University in 1981 and graduated in 1984 from New York University's Institute of Comparative Law (MCJ Program). Previously he had completed postgraduate studies in European Communities law at the University of London. At Windels, Marx, Davies & Ives he will be involved in commercial and corporate matters of domestic, foreign and comparative law and will assist in servicing the firm's growing European clientele, particularly from Spain.

John Ogilvie Joins Edelman Public Relations

John A. Ogilvie has joined Edelman Public Relations as Managing Director, Corporate Finance/Foreign Group. A Director of the Chamber, Mr. Ogilvie was for ten years a principal of Ogilvie, Taylor and Associates, specializing in corporate and investor relations.



If you want to talk
Business
talk to

Banco Urquijo Unión

New York Agency

One Liberty Plaza, New York, N.Y. 10006

Tel. 212/791-9500

Head Office - Paseo de la Castellana 46 - Madrid 1 - Spain

Business Opportunities

SPANISH PRODUCTS OFFERED

Saffron and garlic:

Jose Vargas Alacón
EXTRALEN
Apartado 82
Villanueva (Albacete)

Dehydrated vegetables:

Florbasa
Hijos de F. Flores
Bastida S.A.
Apartado 4
Espinar (Murcia)

Trophies; commemorative plates and medals:

Deporman Artesana
c/ Valencia 2
Manresa (Gipuzkoa)

Locks, safety locks and hardware articles in general, including fittings for the construction industry:

Union Cerrajería S.A.
Mondragón (Gipuzkoa)

Earthenware mosaics:

Sakai S.A.
Copernico, 67 bajío
Barcelona-6

Seeks sales representative for knitted fabrics:

J. Ramos Masquar S.A.
c/ Real 211
Mataró (Barcelona)

Marble, honey, wax, fruits, vegetables and wines:

Lasse Hydén
Promotor Internacional S.A.
Avda. Blasco de Garay 45-47 X
Valencia-7

Religious and commemorative medals, plates and trophies:

Ricardo Sánchez & Cia.
c/ Guillén de Castro 45
Valencia

Video tapes, food products, constructin materials, textiles:

Videotex S.A.
c/ Balmes 221-223 entre D
Barcelona-6

Textiles for the home:

Sres. Itana S.A.
Pl. de la Constitución 9
San Juan de Alicante (Alicante)

Knitted wear and wearing apparel:

Eurohogar
Bloque 22-2d Izda.
Las Rozas (Madrid)

Cumin seeds and herbs in general:

Comercial Peregrin S.A.
Pulpí (Alicante)

Automobiles and accessories:

Madon Estudios Electrónicos S.A.
c/ Cabanas 33
Barcelona-4

Portable thermic heated bag for sore muscles, back pain, rheumatism etc. for sale through drugstores, pharmacies, supermarkets:

Eiko Thermus Española S.A.
c/ Velázquez 40-1ª Izda.
Madrid-1

Seeks agent/distributor for rabbit skins:

Correa Iberica S.A.
(CORBESA)
c/ Goya 113 2ª y 4
Madrid-9

Civil and military emblems, medals and commemorative stamps etc.:

Fontes
c/ Atocha 11
Madrid-25

Artistic and industrial ceramics, furniture, curtains, footwear:

Levanta Expert S.A.
Avda. San Adrián s/n. 1º y 2º
Aguilera (Alicante)

Medical and hospital equipment:

Berel
Crane S. Somp
Ronda 1 (Gipuzkoa)

Children's clothing:

Azuleja
c/ Suroeste 4 1ª y 2ª
Ereñeta (Gipuzkoa)

Glasses, frames, and other optical products — Seeks representative:

Creaciones Ópticas B. Gómez
c/ P. Ferrer
Barcelona-1

Ready-to-wear suede and leather garments:

Añero & Ayres S.A.
Apartado 86
Murcia

Jewelry:

Rafael Colado Pérez S.A.
c/ Editor Cabrero 1
Valencia-7

Seeds and accessories for birds:

St. D. Gonzalo Zaragoza Manresa
Apartado de Correos 8
Cortada de Segura (Alicante)

Lamps:

St. D. Sergio Gadea Pérez
c/ Sagunto 114 pta. 2ª
Valencia

Pure saffron:

St. D. Daniel Beltrán de Guzmán
Unión Española S.A.
Pl. de las Mojas 16
Novelda (Alicante)

Fillers for sketches and prints:

Sres. Shetud
Apdo. de Correos 26
Villar de Mar (Barcelona)

Fresh garlic:

Cotes S.A.
c/ Murcia 198 2ª y 3ª
Barcelona-29

Shotguns for hunting:

Azur Armas Asesorado Zapala
Avenida San Andrés s/n
Zaldibar (Vizcaya)

Guitars; musical instruments:

Guitarreros Moreno y Castro
c/ Vicente Camarón 14
Madrid-11

Fans:

Mundexport
c/ Sagunto 114 pta. 2ª
Valencia-9

Didactic video courses:

Sra. Da. Patricia A. Trias
Comercial Salvat Editores S.A.
c/ Floridablanca 96
Barcelona-20

Sea salt; bee pollen; cooking herbs:

Martínez Neto S.A.
Carretera de la Palma Km. 2.4
P.O. Box 304
Cartagena (Murcia)
Tel. (968) 51 5080
Telex: 47238 MANE ES

Capers:

Capexport S.A.
Apartado de Correos 265
Murcia

Ceramic tiles; jewelry and imitation jewelry; fresh fruits and vegetables; fruit juices; machinery; sanitary goods and materials; engineering materials:

Tradecas S.L.
Apartado de Correos 208
Castellón de la Plana

Machinery for the glass industry:

Vandeglass S.A.
Polígono Ind. Las Lanzas
Carretera de Baza
Linares (Jaén)

Scooter with three wheels; recreational vehicles (cross cars):

Magma
C/ra. San Juan Despl. 79
Cornella (Barcelona)

Doormats for home use, also for automobiles:

Industrias Turmas y Cia.
Apartado de Correos 1 021
Arsoan (Pamplona)

Machines for the manufacture of concrete pieces "RAY" high production layer machines:

Valves; plastic, iron, steel, diaphragm, ball, glove, gate, butterfly and teflon-coated.

Sres. Resnova
Representaciones y Suministros Industriales S.A.
c/ Enrique Granados 61 y 61B
Barcelona-9

Shoe shine and home maintenance products:

Fatequia
(Fabrica Tecnica Quimica S.A.)
Apartado de Correos 1 024
Tarragona

Wool rugs and carpets:

Perata
Apartado de Correos 96
Onteniente (Valencia)

Seeks U.S. producers of food products, especially confectionery:

Jose M. Sancho Font
Apartado de Correos 3 5144
Barcelona-29

Authentic Spanish artistic lithographs:

Gallery S.A.
Travesía de las Cortes 346
2ª y 3ª
Barcelona-29

Antiperspirant deodorant:

Phylax S.A.
Sección Exportación
Avda. Infanta Carlota 1421
Barcelona-17

Footwear; handbags; luggage; other leather goods:

Amigues S.A.
c/ Felipe Pedret 35
Eibar (Alicante)

Carob beans, whole and in pieces:

Sanitas Alimentaria Torralba S.L.
C/ra. Apóstola de S. Juan
Km. 4 Km. 2
Tudela (Jaén)

Iron hexagonal nuts, machine tools:

Sr. D. Guillermo García
c/ Santa Ana 11
Barcelona-34

Cement; gypsum; galvanized zinc sheets; steel silos:

Demingo Castro Romero
c/ Murcia 4
Alcorcón (Madrid)

Seeks firms interested in mail order items:

Distribuciones Apimex y
c/ V. la Benavente 17
Oñena-5
León

Olives:

José A. Prieto de Rivera
San Tomar (Sevilla)

FABRICANTES DE CALZADO SE OFRECE PARA MANUFACTURAR QUALQUIER MODELO

Interesados remitir muestra con indicación de materiales, colores, medidas a: FEDEXSA, Pza. Constitución 2, San Juan Alicante

PRODUCTOS ESPAÑOLES SOLICITADOS

(CONTINUED FROM PAGE 14)

Encajes:

Mr. Sally L. Ordaz
P.O. Box 678
Minden, Nevada 89423

Alpargatas; zapatillas:

Mr. David E. Steinman
Italex Inc.
161 Lawrence Street
Mount Vernon, NY 10552

Mantas; cobertores; textiles bordados para hacer cortinas:

Mr. Manuel Yglesias Jr.
A NOSSA TERRA
79 Ferry Street
Newark, N.J. 07105

Oportunidades Comerciales

PRODUCTOS ESPAÑOLES SOLICITADOS

Roldanas para uso industrial:

Mr. Joseph K. Van Dusen
R. T. Lantz, Inc.
P.O. Box 611
Plymouth, Michigan 48150

Joyería en oro y plata; artículos de regalo; confección para señora en piel y ante; calzado de piel para señora; bolsos; trajes de baño:

Mr. Peter G. H. H. H.
3079 Brighton Blvd.
Brooklyn, NY 11210

Joyería:

Ms. Lynn K. H. H.
The Midway Store
3 Lerwald Lane
Rochester, NY 14615

Juntas y manguitos de materias plásticas; transportadores de cinta; herramientas; envases de vidrio:

Mr. Ralph K. H. H.
Applied Plastics Corp.
P.O. Box 207
Tusculum, Alabama 35674

Maquinaria para trabajar la madera:

Mr. David Freeman
TSI Triad Sales International
43 U.S. Highway 46
Pine Brook, NJ 07058

Motores eléctricos; arrancadores para motores eléctricos; cables eléctricos sumergibles:

Mr. Luis E. Pacini
Imideco Corporation
440 Sylvan Avenue
Englewood Cliffs, NJ 07632

Zumos concentrados de manzana y pera:

Mr. Charles Zuckerman
L. M. Zuckerman & Co., Inc.
50 Broadway
New York, NY 10004

Acabados de mármol y granito:

Mr. Joseph Haughney
Vickery Stone Co.
101 West Chester Pike
Havertown, PA 19083

Envases de cristal y plástico para artículos de tocador:

Ms. Theresa M. Plant
Omni Trade
150 Meadowland Parkway
Secaucus, NJ 07094

Automóviles; piezas y accesorios para automóviles:

Mr. Christopher P. Kautsky
Midas International Corp.
225 North Michigan Avenue
Chicago, IL 60601

Confección en piel y ante para señora y caballero:

Ms. Sonia H. Burda
Honiburd Ltd.
217 East 85 St.
New York, NY 10028

Lámparas de techo:

Mr. Lewis Zefronov
Zefron Lighting Co.
65 Quince Road
Kings Highway 5 West
Brooklyn, NY 11211

Vinos de mesa:

Mr. Alan H. H.
World Wine Imports
134 Blue Road
Wilmington, MA 01897

Encajes y bordados:

Mr. Thomas Seidman
Artisan Trading Co.
101 30th Avenue
New York, NY 10001

Ballestas para automóviles:

Mr. Andrew Patrick
Tradetracks, Inc.
803 Fifth Avenue
New York, NY 10016

Zapatos de piel para señora y caballero; bolsos de piel:

Mr. Thomas Maiti
35 Hudson Avenue
Tarrytown, NY 10591

Recambios de automóviles:

Mr. Joseph M. H. H.
Rapid Transmission Parts
40 Skyline Drive
Parsippany, NJ 07054

Marcos para puertas y puertas de madera; alfombras de goma para la bañera; artículos de ferretería; tubos de acero:

Mr. F. H. Waitz
J. J. Seydlitz & Co.
101 30th Avenue
Philadelphia, PA 19101

Confección en piel y ante; accesorios de piel:

Mr. Peter Salerno
Dutton International
27 Barry Drive
Westwood, NJ 07675

Juguetes; servicios de mesa de cristal; muebles; mantelería; cerámica para decorar y uso doméstico; alfombras:

Mr. Davette Pitts
Primitive Artisan, Inc.
40 Pecks Road
Rimfield, MA 01201

Motores para automóviles; piezas y accesorios para automóviles:

Mr. Keith Bigelow
Compact Performance
2151 San Ramon Valley Blvd.
San Ramon, CA 94583

(CONTINUA EN LA PAGINA 36)

Trust us
with your
overnight shipment
to
Spain
and
South America

Choice Air International's personalized service philosophy

When you contact Choice Air International anywhere in the world, you're dealing with people. People you can trust.

Because the people at Choice understand the importance of your shipment, we have created a fully integrated network of member offices to provide you with the efficient, secure courier service you would expect from people you trust.



The person to person courier.

NEW YORK
(212) 683-2626

MADRID
246-3613

NATIONWIDE
(800) 223-5779

BARCELONA
243-2201

Spain's Exports to the U.S., Jan.-March 1984

In this tabulation, using statistics from the U.S. Department of Commerce, the first column gives Spain's exports to the U.S. from January 1st through March 31st, 1984, in thousands of dollars. The second column gives the percentage of variation from the same period of 1983. Column 3 indicates the percentage of total exports represented by the group.

	1	2	3		1	2	3
FOOD PRODUCTS	71,713	63.9	11.30	38 Nonferrous metals	13,004	+3482.4	
1 Fish and seafood, except preserved	6,689	+746.7		39 Wire, without electrical insulation	5,571	+87.2	
2 Fish and seafood, preserved	4,049	+36.9		40 Screws, nails, rivets etc. of iron, steel or copper	3,118	+40.3	
3 Marmalades and preserved fruits	11,608	+114.5		41 Hand tools	2,141	-82.8	
4 Vegetables, preserved or prepared, including olives	36,639	+38.5		42 Household utensils of common metals	3,032	-9.2	
5 Sweets with a sugar base which do not contain cocoa	2,634	+122.8		43 Metal manufactures, unspecified	4,273	+38.9	
6 Paprika	3,082	-3.2		MACHINERY AND TRANSPORTATION EQUIPMENT	54,480	-6.7	8.58
7 Food preparations, unspecified	1,106	+31.5		44 Generators, non-electric, and parts	2,219	+34.8	
BEVERAGES AND TOBACCO	18,733	+16.9	2.95	45 Agricultural machinery and parts	1,467	+294.5	
8 Table wines and Sherry	14,505	+24.3		46 Office machinery and parts	2,979	-74.4	
9 Sangria	1,609	-18.4		47 Metalworking machinery	4,279	+0.7	
10 Brandies and similar	1,961	-13.9		48 Textile and leather machinery	1,527	+0.3	
11 Processed tobacco	120	+1000.0		49 Industrial machinery	1,514	+199.8	
12 Unprocessed tobacco, residues	68	+6.3		50 Machinery and apparatus, unspecified, and parts	5,454	+9.8	
RAW MATERIALS, INEDIBLE EXCEPT PETROLEUM AND OTHER VEGETABLE PRODUCTS	7,515	+59.8	1.18	51 Electrical generators, commutators, and parts	2,029	+35.4	
13 Fluorspar	374	—		52 Household electric appliances and parts	1,361	+52.9	
14 Raw materials of animal origin	242	+26.7		53 Transportation equipment	25,611	-1.9	
15 Gums, resins and natural lacquers	1,576	+5.8		53a Parts & accessories for tractors, vehicles & motors	22,456	+112.9	
16 Flowers, bulbs, foliage etc. for decoration	258	+85.6		53b Motorcycles and parts	170	+169.8	
17 Gypsum, plastic, chalk etc.	1,361	+109.1		53c Aircraft	22	-70.0	
18 Other crude vegetable materials	1,638	+96.2		53d Supplies for aircraft and ships, unspecified	2,737	+9.6	
PETROLEUM PRODUCTS AND LUBRICANTS	77,740	+1042.2	12.24	54 Electrical machinery and apparatus, unspecified	7,933	+249.8	
19 Heavy petroleum	16,829	—		MANUFACTURED CONSUMER PRODUCTS	139,567	+57.0	21.52
20 Lubricating oils and greases, hydrocarbons	9,907	+46.7		55 Lamps and parts	2,273	+76.2	
OILS AND FATS, ANIMAL AND VEGETABLE	3,909	-3.2	0.62	56 Furniture	4,220	+49.2	
21 Olive oil	3,909	-3.2		57 Luggage and handbags	2,181	+48.4	
CHEMICAL PRODUCTS	33,953	+36.4	5.35	58 Textile manufactures	566	+49.3	
22 Organic chemical products	17,312	+90.7		59 Leather manufactures & accessories	1,342	+88.7	
23 Inorganic chemical products	9,349	+45.8		60 Knitwear mfrs. and accessories	2,244	+173.0	
24 Essential oils and perfume materials	3,635	+2.0		61 Footwear	91,827	+54.9	
25 Soaps and detergents	499	+34.5		62 Printed matter	6,014	+50.4	
MANUFACTURES AND SEMI-MANUFACTURES	213,896	+168.0	33.70	63 Toys and sporting goods	3,471	+18.9	
26 Hides, leathers & their manufactures	3,936	+57.1		64 Arms and parts, except revolvers and pistols	1,185	+125.3	
27 Tires	19,898	+566.8		65 Objects of art and antiques	2,342	-31.8	
28 Manufactures of wood and cork	1,805	+42.9		66 Jewelry and costume jewelry	5,388	+110.1	
29 Articles of paper and cardboard	3,616	+156.3		67 Other manufactures, unspecified	1,062	+31.1	
30 Thread and yarn	1,837	+210.8		OTHER PRODUCTS, UNCLASSIFIED	16,251	+262.1	2.56
31 Bedclothes, table linen, towels etc.	2,827	+234.2		68 Special transactions, unclassified	11,262	+205.6	
32 Woolen fabrics	218	-21.3		69 Arms of war, including revolvers, pistols and ammunition	1,299	+216.1	
33 Lime, cement and other construction materials, except tiles	3,922	+84.7		70 Estimated value of imports in lots valued at less than \$251	631	-83.9	
34 Tiles	4,284	-6.6		TOTAL EXPORTS TO U.S., 1983	634,766	+92.5	
35 Articles of crystal and glass	2,150	+51.1					
36 Pottery articles	3,712	+20.6					
37 Iron and steel in bars, sheets etc.	126,896	+351.9					

WE'RE RUNNING FULL STEAM LONG BEFORE WE LEAVE PORT.



You're looking at Maersk Line's computerized documentation system. It's as fast and dependable as our modern, fully containerized vessels. And considering today's soaring interest rates, the sooner you can get your paperwork, the better.

Fast, accurate documentation. Thanks to the power of advanced technology

backed by efficient, attentive service. An advantage like this can make a significant difference in your overall shipping costs. A difference that makes choosing Maersk Line a sound decision.



MAERSK LINE

MAERSK LINE. MORE ECONOMICAL OVER THE LONG HAUL.

Moller Steamship Company, One World Trade Center, Suite 3527, New York, NY 10048 - (212) 432-8200

Grand Class



How to relax as you fly.

This new symbol stands for the Grand Class of Iberia, International Airlines of Spain.

Everything in Grand Class is designed so that you will discover the ultimate pleasure of flying.

You'll enjoy superb service at all times. You will choose from gourmet menus and vintage wines, served in porcelain and crystal. You will be welcomed with a little gift and, at some airports, cared for in VIP lounges.

In Grand Class you ease into Iberia's new sleeper-seat, so spacious and comfortable that when you recline, it feels like a bed. So you fly in comfort and arrive totally relaxed.

For the ultimate in comfort, service and relaxation, fly Iberia's Grand Class.

IBERIA
INTERNATIONAL AIRLINES OF SPAIN

The Spanish challenge.